Report of Independent Auditors and Financial Statements

LEWIS CLARK
STATE COLLEGE

June 30, 2020 and 2019

LEWIS-CLARK STATE COLLEGE

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MOSSADAMS

Report of Independent Auditors

Idaho State Board of Education
Lewis-Clark State College

Report on the Financial Statements

We have audited the accompanying financial statements of Lewis-Clark State College and its discretely presented component unit, the Lewis-Clark State College Foundation, Inc. (collectively, College) as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the College's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College and its discretely presented component unit, as of June 30, 2020 and 2019, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management discussion and analysis on pages 3 through 13, the schedule of the College's proportionate share of net pension liability – PERSI base plan, schedule of employer contributions – PERSI base plan, on pages 61 and 62, the schedule of changes in the College's total OPEB liability and related ratios on pages 63 and 64, the schedule of College's proportionate share of Idaho sick leave insurance reserve fund asset and schedule of employer contributions – Idaho sick leave insurance reserve fund on page 65, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Moss Adams LLP

Portland, Oregon
September 24, 2020

LEWIS-CLARK STATE COLLEGE

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020

Overview of the Financial Statements and Financial Analysis

The financial statements for fiscal years ended June 30, 2020 and June 30, 2019 are prepared in accordance with Governmental Accounting Standards Board (GASB) principles. Three financial statements are presented: the *Statements of Net Position;* the *Statements of Revenues, Expenses, and Changes in Net Position;* and the *Statements of Cash Flows.*

Management's Discussion and Analysis is designed to provide an easily readable summary of Lewis-Clark State College's (College) financial condition, results of operations, and cash flows based upon facts, decisions, and conditions known at the date of the auditor's reports.

In 2002, GASB issued Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB 14*. This Statement clarified the definition of a component unit for financial reporting purposes. As a result, the College is discretely reporting the Lewis-Clark State College Foundation, Inc.'s (Foundation) *Statements of Net Position*, *Statements of Revenues, Expenses and Changes in Net Position*, and *Statements of Cash Flows* as part of the financial statements for the College.

Statement of Net Position

The *Statement of Net Position* presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the College as of the end of the fiscal year. The *Statement of Net Position* is a point-in-time financial statement intended to present to the readers a fiscal snapshot of the College. The *Statement of Net Position* presents end-of-year data concerning assets (current and noncurrent), deferred outflows of resources, liabilities (current and noncurrent), deferred inflows of resources, and net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources).

From the data presented, readers of the *Statement of Net Position* are able to determine the assets available to continue the operations of the College. They are also able to ascertain how much the College owes vendors, grantors, and lending institutions. The *Statement of Net Position* provides a picture of the net position and the availability of resources for expenditure by the College. Changes in net position over time is an indicator of whether the College's financial condition is improving or declining.

Net position is divided into three major categories. The first category, net investment in capital assets, indicates the net equity in capital assets owned by the College. The next category is restricted net position, which is divided into two categories, nonexpendable and expendable. The corpus of nonexpendable restricted resources is available only for investment purposes. Expendable restricted net position is available for expenditure by the College, but must be spent for purposes specified by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted net position. Unrestricted net position is available to the College to utilize in any legal fashion in accordance with the State Board of Education specified role and mission.

SUMMARY STATEMENTS OF NET POSITION

	2020	2019	2018 (Restated)
ASSETS:			
Current assets	$ 34,075,888	$ 32,272,079	$ 33,303,085
Capital assets, net	56,807,400	50,225,198	50,354,323
Other assets and deferred outflows of resources	7,422,220	8,386,476	6,525,863
Total assets and deferred outflows of resources	$ 98,305,508	$ 90,883,753	$ 90,183,271
LIABILITIES:			
Current liabilities	$ 6,935,165	$ 6,002,722	$ 4,797,938
Noncurrent liabilities and deferred inflows of resources	10,650,380	10,076,554	9,942,822
Total liabilities and deferred inflows of resources	17,585,545	16,079,276	14,740,760
NET POSITION:			
Net investment in capital assets	57,679,886	52,850,968	52,980,093
Restricted – expendable	3,292,512	3,168,953	2,929,724
Unrestricted	19,747,565	18,784,556	19,532,694
Total net position	80,719,963	74,804,477	75,442,511
Total liabilities and deferred inflows of resources and net position	$ 98,305,508	$ 90,883,753	$ 90,183,271

Total assets and deferred outflows of resources increased $7,421,755 from fiscal year 2019 to 2020, an increase of 8.17%. The total assets and deferred outflows of resources of the College increased $700,482 in fiscal year 2019, an increase of .78% from 2018. The primary components of the increase in 2020 relate to capital assets and deferred outflows. Cash deposits, investments, receivables prepaid expenses and the asset related to excess sick leave reserve attribute to changes in 2019.

Net cash deposits had a slight increase of $163,988, in fiscal year 2020, and an increase of $1,397,545 in fiscal year 2019. Deposits in the Idaho Local Government Investment Pool (LGIP) increased approximately $1 million and $2 million during 2020 and 2019, respectively, to benefit from higher rates of interest. The increases were offset by decreases of approximately $1.8 and $1.4 million in 2020 and 2019, respectively, in Idaho State Treasurer deposits due to withdrawals to pay capital expenditures primarily related to the CTE building and Spalding Hall upgrade. Cash and cash equivalents held in local banks increased $878,010 and $690,083 million at June 30, 2020 and 2019 respectively.

The long-term certificate of deposit fluctuated during 2020, 2019 and 2018. The five year certificate of deposit matured October 22, 2018, with a balance of $2,532,739. $1,532,739 was invested in a new two year certificate. It was classified as a noncurrent investment as of June 30, 2019, but as a current investment as of June 30, 2018, prior to its maturity. The $1 million reduction was reserved for CTE building expenditures. The investment is shown as current again as of June 30, 2020 due to its October 25, 2020 maturity date.

Receivables increased slightly at June 30, 2020 by $59,843, and decreased $257,527 in 2019. Student receivables decreased and grant receivables increased for the fiscal year end June 30, 2020. The grant receivable increase is primarily related to the Idaho Rebounds Coronavirus Financial Advisory Committee (CFAC) grant and federal USDA Rural Development grants. The decrease at June 30, 2019 is due to the timing of billings related to the National Science Foundation Career Technical Pathways Program grant and the loss of the Dental Hygiene grant during 2019.

Prepaid expenses decreased $30,574 during fiscal year 2020 and increased $328,197 during fiscal year 2019. The decrease during 2020 is primarily related to annual amortization of the North Idaho Collaboration Education (NICE) Building prepaid expenses. The 2019 increase is primarily related to payments made for the College's joint share in the NICE Building. $232,456 was paid toward the College's agreement to pay $666,666 to be applied to the construction of the facility. The College will have use of the facility along with the University of Idaho and North Idaho College for an initial term of ten years.

At June 30, 2020 and 2019 the College reported an asset of $2,657,021 and $2,458,008 for its proportionate share of the State of Idaho Sick Leave Insurance Reserve Fund (SLIRF). These amounts reflect increases of $199,013 and $438,249, respectively, and represent additional excess sick leave funding in the Idaho plan.

Capital assets increased approximately $6.6 million primarily due to $7.3 million payments and payables for the new Schweitzer Career Technical Education (CTE) building construction, infrastructure and equipment during fiscal year 2020. The increase is offset by depreciation expense of $2.6 million. Capital assets decreased $129,125 during fiscal year 2019. The 2019 decrease is attributable to depreciation expense of $2,760,263 slightly exceeding capital improvements of $2,631,138, related to Spalding Hall upgrades and initial expenditures toward the CTE building.

Deferred outflows increased $459,647 in 2020 primarily due to an increase in other post-employment benefit changes in assumptions and change in proportion. Deferred outflows decreased $7,897 at June 30, 2019 related to OPEB contributions subsequent to the measurement date.

Total liabilities and deferred inflows of resources increased $1,506,269 at June 30, 2020 and $1,338,516 at June 30, 2019, increases of 9.37% and 9.08%, respectively. The specific changes are related to accounts payable, unearned revenue, net other postemployment benefit (OPEB) obligations, PERSI pension liability, and deferred inflows of resources.

Accounts payable and accrued liabilities had a net increase of $1.1 million at June 30, 2020. An accounts payable increase of $1.5 million reflects amounts owed for construction work through June for the CTE building. An accrued liability increase of $129,237 reflects NAIA sponsorships and ticket sales that were requested by sponsors and ticket holders to be carried over to FY21 when the World Series baseball event was cancelled. Accounts payable increased $357,746 in 2019 over 2018 related to amounts payable at June 30, 2019 for the College's share of the NICE building.

Unearned revenue decreased $234,388 in 2020 and increased $694,520 in 2019. The changes for both years are due to grant funds received for the new CTE building; $250,000 from the Sunderland Foundation grant in 2019 and $100,000 from the Laura Moore Cunningham Foundation in 2018 which were earned in 2020 when spent toward the CTE building. The increase in 2019 is also related to $256,733 in prepaid Department of Public Works funds received for projects not started as of June 30, 2019.

The OPEB liability for retiree health care and long-term disability increased $915,812 in 2020 and decreased $519,312 in 2019. The net PERSI pension liability decreased both years, $661,840 and $317,066, in 2020 and 2019, respectively. These liabilities represent the College's allocation of the State of Idaho retiree benefit plans and net pension liability related to the PERSI Base Plan.

Deferred inflows increased $319,854 and $970,110, respectfully in 2020 and 2019 due to changes related to the PERSI pension plan, OPEB plans and the sick leave fund. The major increases each year were $404,282 for the pension plan in 2020, and $668,083 for the OPEB plan in 2019.

Net position increased $5,915,486 between fiscal year 2019 and 2020, and decreased $638,034 between fiscal year 2018 and 2019. The major changes were related to the net investment in capital assets and unrestricted net positions.

Net investment in capital assets increased in 2020 due to the CTE building capital payments and payables.

Unrestricted net position increased $963,009 and decreased $748,138, in 2020 and 2019, respectively. The 2020 is due primarily to decreases in unrestricted accounts payable. The 2019 decrease is due primarily to increases in accounts payable and unearned revenue.

Statement of Revenues, Expenses and Changes in Net Position

Changes in total net position, as presented on the *Statement of Net Position*, are specifically depicted by the activity presented in the *Statement of Revenues, Expenses and Changes in Net Position*. The purpose of this statement is to present the operating and nonoperating revenues earned by the College, operating and nonoperating expenses incurred, and all other revenues, expenses, gains and losses earned or incurred by the College.

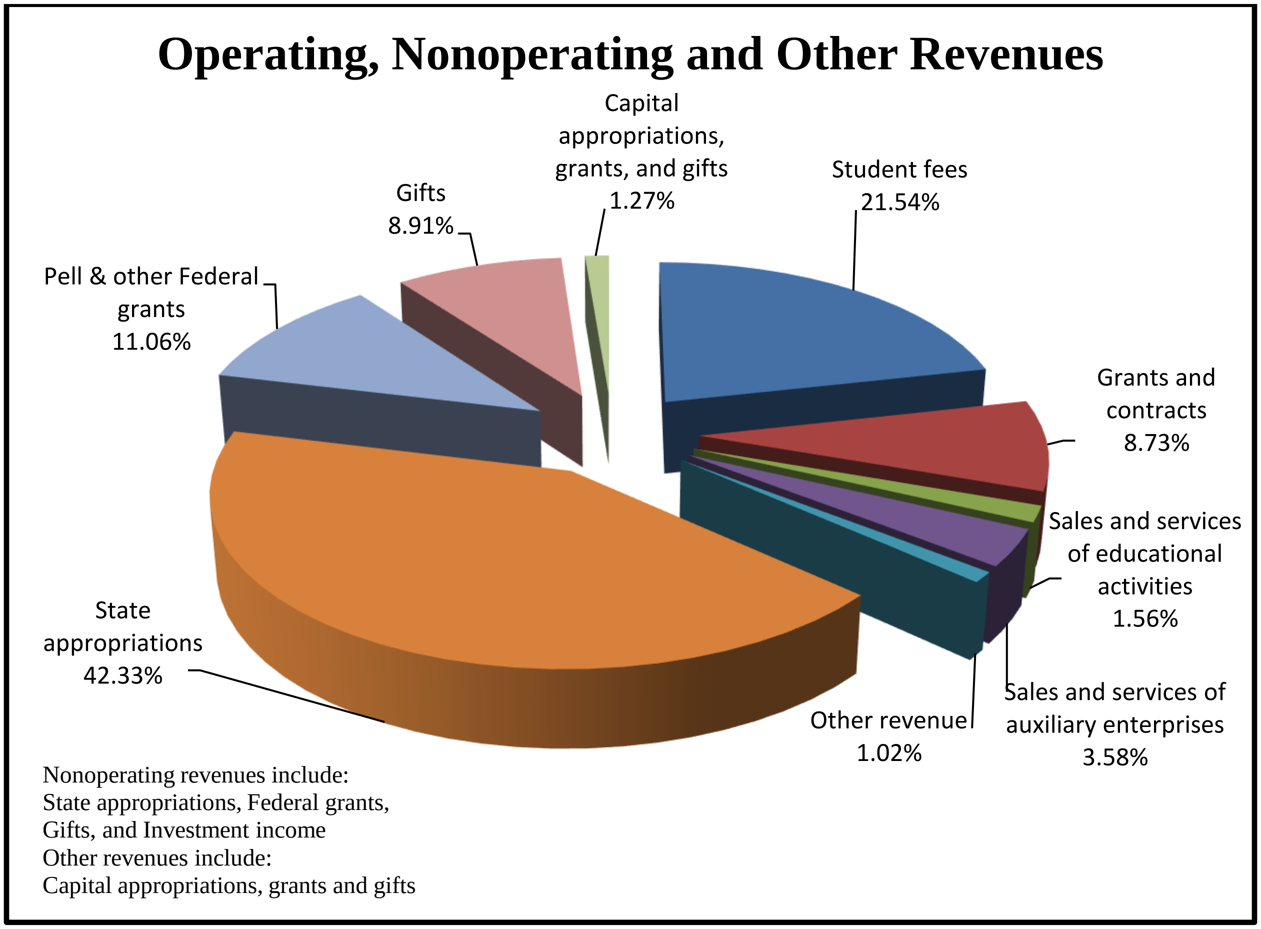
Generally speaking, operating revenues are earned in return for providing goods and services to the various customers and constituents of the College. Operating expenses are those expenses incurred to acquire or produce the goods and services provided in return for the operating revenues and to carry out the role and mission of the College. Nonoperating revenues are revenues received for which goods and services are not provided. For example, state appropriations are deemed nonoperating revenues because they are provided by the Idaho Legislature to the College without the legislature directly receiving value in return for those revenues.

SUMMARY STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	2020	2019	2018 (Restated)
Operating revenues	$ 20,976,009	$ 20,687,219	$ 20,257,794
Operating expenses	52,727,372	54,048,733	54,119,017
Operating loss	(31,751,363)	(33,361,514)	(33,861,223)
Nonoperating revenues and expenses, net	36,922,797	32,494,812	32,445,116
Income (loss) before other revenues and expenses	5,171,434	(866,702)	(1,416,107)
Other revenues, net	744,052	228,668	781,983
Increase (Decrease) in net position	5,915,486	(638,034)	(634,124)
Net position--Beginning of year (as previously reported)	74,804,477	75,442,511	77,065,503
Cumulative effects of implementing GASB 75	-	-	(988,868)
Net position Beginning of year (restated)	74,804,477	75,442,511	76,076,635
Net position--End of year	$ 80,719,963	$ 74,804,477	$ 75,442,511

Revenues

The College generates revenues from a variety of sources. The following is a graphic depiction of the revenues by source (both operating and nonoperating), which were used to fund the College's activities for the year ended June 30, 2020.



Total operating revenues for fiscal year 2020 increased $288,790, or 1.40%. 2019 increased $429,425, or 2.12%. The changes for both years are related to increases in student tuition and fees, scholarship discounts and allowances, and grants and contracts. The increases are offset by decreases to sales and services of educational activities and auxiliary enterprises.

Gross student tuition and fees increased $237,134, or 1.16%, and $369,248, or 1.84%, during fiscal year 2020 and 2019, respectively. The increases in both years are related to increases in full-time and part-time tuition rate fees of 5.5% and 4%, respectively, offset by decreases in non-dual credit head count. Summer session revenue increased in both 2020 and 2019 fiscal years due to an increase in enrollment. Registration fees increased in 2020 and 2019 due to Work Force Training health courses.

The scholarship discounts and allowances increased both years, $156,000 in 2020, and $91,000 in 2019. The increases are related primarily to increases in the state Advanced Opportunity grants and Fast Forward program as financial aid resources to students.

Federal grants increased $94,346 in 2020 and $284,625 in 2019. Federal grants increased in 2020 due to U.S. Department of Agriculture Rural Business Development and the CARES institutional grants. Increased activity in the Technical Career Pathways grant and continued increases in the TRIO and CAMP grants also attributed to increases both years. State and local grants increased $393,565 in 2020 due to increases in the IDeA Network of Biomedical Research (INBRE). State and local grants increased $153,962 in 2019 due to increases in the CTE Adult Retraining and AmeriCorps grants. Continued increases in the Idaho State Opportunity scholarships resulted in increases both years. Private grants increased $254,085 in 2020 primarily due to the Laura Moore Cunningham Foundation grant for the CTE building, nursing grants and the ADA Compliance grant.

Sales and services of educational activities decreased $413,227 in 2020 due to the cancellation of spring events such as the NAIA World Series, Art Under the Elms, and various athletic tournaments. Sales and services of auxiliary enterprises decreased $76,837 and $204,199 during 2020 and 2019, respectively. The 2020 decreases are related to room rent, meal plans and athletic sales. The College refunded room rent and meal plans to students in the spring related to the pandemic but received grant funds to replace the room rent. The 2019 decrease is related to a decrease in occupancy of students, offset by an increase in meal rates.

Nonoperating revenues increased $4,427,985 during fiscal year 2020 and $49,696 during fiscal year 2019. The changes are primarily due to state appropriations, Pell and other federal grants, revenues from gifts, and investment income.

State appropriations increased $244,934 and $143,125 during 2020 and 2019, respectively. The 2020 increase is related to endowment income and CTE appropriation. The 2019 increase is due to increases in the general account revenue and state endowment income, offset by a decrease in the CTE appropriation.

Pell and other federal grants increased $827,062 during fiscal year 2020 due primarily to receiving CARES grant funds for students of $756,961. Pell and other federal grants decreased $289,371 during fiscal year 2019 due to less Pell granted to students during the year.

Gift revenue increased $3,410,070 during 2020 due primarily to $3.5 million from the Lewis-Clark State College Foundation to transfer donations intended to help pay CTE building construction costs.

Investment income decreased $54,081 during 2020 and increased $208,256 in 2019. The College increased excess deposits of cash at the Local Government Investment Pool during both years. The 2020 increased deposits were offset by decreases due to lower interest rates.

Capital appropriations represent capital asset projects paid by the Idaho State Department of Public Works (DPW) that are contributed to the College upon completion. Three 2020 DPW projects related to roof improvements, HVAC and fire alarm upgrades were completed in 2020. There was one DPW HVAC upgrade in 2019.

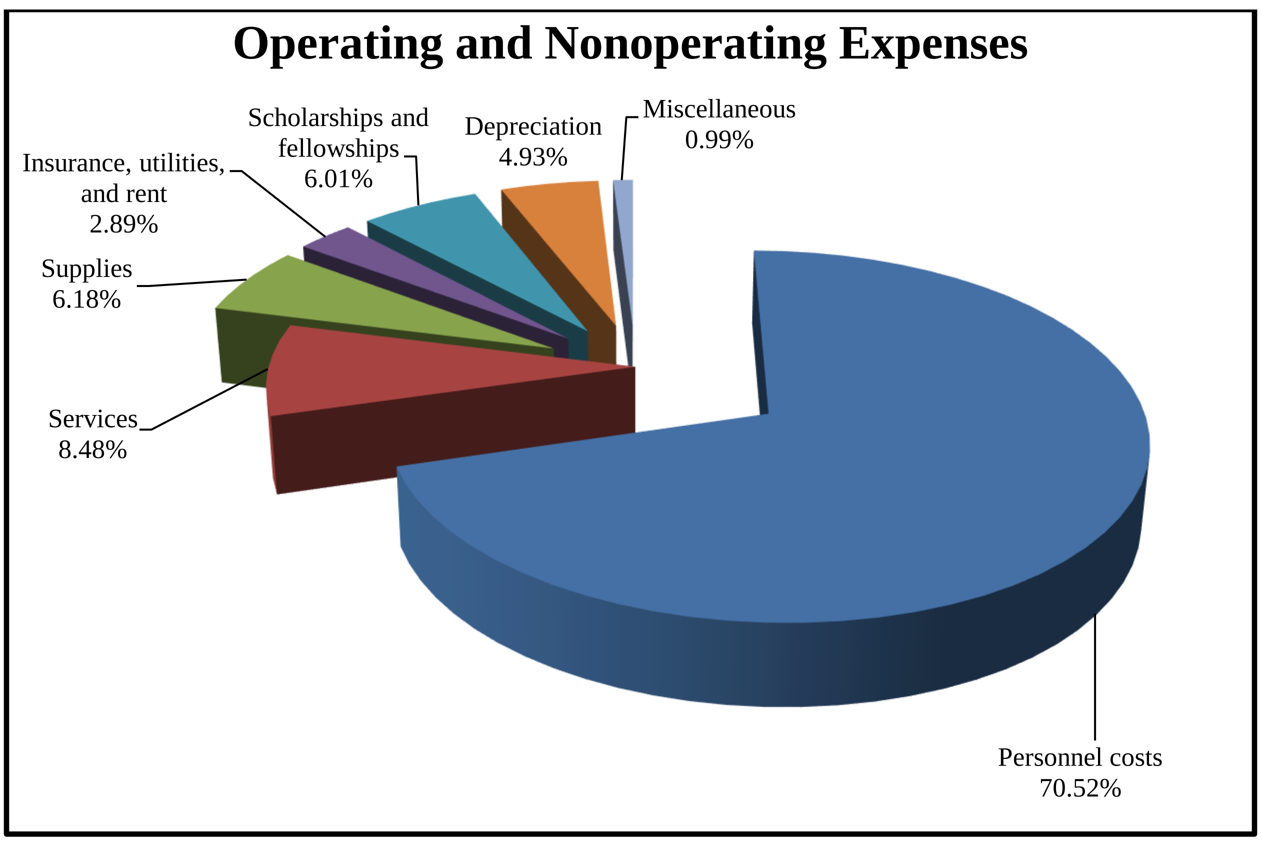
Capital grants and gifts increased $166,694 in fiscal year 2020 which is primarily related to the $250,000 Sunderland Foundation grant that was donated towards the CTE building. Capital grants and gifts decreased $338,115 in 2019 which reflected the end of the ICE Pharmaceutical Technical grant.

Expenses

Following is a comparative summary of the College's expenses for the years ended June 30, 2020, 2019, and 2018.

	2020	2019	2018
OPERATING EXPENSES:			
Personnel costs	$ 37,183,644	$ 36,997,083	$ 37,564,501
Services	4,469,842	5,303,949	4,818,578
Supplies	3,256,145	4,877,963	4,580,640
Insurance, utilities, and rent	1,523,969	1,567,492	1,547,079
Scholarships and fellowships	3,168,766	1,973,682	2,159,357
Depreciation	2,600,773	2,760,263	2,723,790
Miscellaneous	524,233	568,301	725,072
Total operating expenses	52,727,372	54,048,733	54,119,017
NONOPERATING EXPENSES:			
Other	-	-	6,894
Total nonoperating expenses	-	-	6,894
TOTAL EXPENSES	$ 52,727,372	$ 54,048,733	$ 54,125,911

The following is a graphic depiction of total expenses by natural classification for the year ended June 30, 2020.



Total operating expenses decreased $1,321,361, or 2.44%, in fiscal year 2020, and decreased $70,284, or .13%, in fiscal year 2019. The changes are primarily due to personnel costs, services, supplies and scholarships.

Personnel costs increased $186,561, a .50% increase, during 2020. Personnel costs decreased $567,418 during 2019, representing a 1.5% decrease. The 2020 increase reflects an increase in health insurance costs since there were no premium holidays as in 2019. The decrease in 2019 reflects a decrease in health insurance costs due to lower premiums during 2019 compared to 2018. The health insurance decrease is also attributable to two months of premium holidays in November and December 2018 due to excess state insurance reserve funds.

Service expenses decreased $834,107 during fiscal year 2020 and increased $485,371 during fiscal year 2019. The largest decrease in the 2020 service expenses is attributed to travel expenses, which decreased $509,510, or 41%, due to limiting travel to essential travel only during the spring pandemic. Other professional services decreased $262,605 primarily related to the AmeriCorps grant ending during the year and a decrease in the Music department expenses. In 2019 the College incurred increases in overhead expenses paid to the state and increases in information technology costs. The College also entered into an agreement and incurred costs with St. Joseph Regional Medical Center to manage the College's Health Service Center during 2019. Expenses were also incurred in the Music department as the LCSC Concert Choir traveled and performed at the Lincoln Center in New York. Expenses related to the Technical Career Pathways grant also increased during 2019.

Supplies expenses decreased $1,621,818 during 2020 and increased $297,323 during 2019. The 2020 decreases reflect decreases in computer and related equipment purchases in Information Technology, library and classrooms. The College also incurred decreases in food related to reduced student meal plans and cancelled NAIA events in the spring related to the 2020 pandemic. Course supplies were also down during 2020 due to cancellation of spring on-campus classes. The 2019 increases relate to an Information Technology upgrade to the wireless networking system, Movement and Sport Sciences division purchase of optical cameras, and furniture purchases for Spalding Hall as the remodeling neared completion. Supplies also increased in the Nursing and Technical & Industrial divisions, and with the INBRE grants during 2019.

Scholarship expenses increased $1,195,084 in 2020 and decreased $185,675 during 2019. In 2020 the College distributed CARES Act scholarships to students and had increased Idaho State Opportunity scholarships. The 2019 decrease was due to decreases in Pell grants awarded.

Statement of Cash Flows

The final statement presented by the College is the *Statement of Cash Flows*. The *Statement of Cash Flows* presents detailed information about the cash activity of the College during the year.

The statement is divided into five parts. The first part deals with operating cash flows and shows the net cash used to perform the operating activities of the College. The second section reflects cash flows related to noncapital financing activities. This section depicts the cash received and spent for nonoperating, noninvesting, and noncapital financing purposes. The third section displays cash flows from capital and related financing activities. This section reflects the cash used for the acquisition and construction of capital and related items. The fourth section presents the cash flows from investing activities and shows the purchases, proceeds, and interest received from investing activities. The fifth section reconciles the net cash provided or used in operating activities to the operating income or loss reflected on the *Statement of Revenues, Expenses, and Changes in Net Position.*

SUMMARY STATEMENTS OF CASH FLOWS

	2020	2019	2018
CASH PROVIDED BY (USED IN):			
Operating activities	$ (29,548,785)	$ (29,807,244)	$ (30,717,802)
Noncapital financing activities	32,807,183	32,205,347	32,423,130
Capital and related financing activities	(3,443,660)	(2,402,469)	(3,418,419)
Investing activities	349,250	1,401,911	188,110
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	163,988	1,397,545	(1,524,981)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	31,101,630	29,704,085	31,229,066
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 31,265,618	$ 31,101,630	$ 29,704,085

Cash increased $163,988 for the year ended June 30, 2020, and increased approximately $1.4 million for the year ended June 30, 2019.

Governmental Accounting Standards Board ("GASB") pronouncements require that the College recognize State of Idaho appropriated revenues and certain federal financial aid grants, primarily Pell grants, as noncapital financing activities, while all the expenditures associated with these funds are reflected as operating activities. This causes the financial statements to show a large operating loss and a corresponding large use of cash by operating activities.

The cash used by operating activities decreased $258,459 and $910,558 in fiscal years 2020 and 2019, respectively. The decrease in 2020 reflects less cash received from grants and contracts as private grant funds used in 2020 were actually received in 2019 and 2018. Cash payments to suppliers and other vendors decreased due to the College incurring less services and supplies expense in 2020. These decreases were offset by increased cash payments for scholarship payments to students in 2020. The cash used by operating activities decrease in 2019 is primarily related to increases in cash received from grants and contracts. The College entered into a new federal Technical Career Pathways grant and had continued increases in the TRIO and CAMP grants. State grant revenues increased due to increases in the CTE Adult Retraining and AmeriCorps grants and continued increases in the Idaho State Opportunity scholarships. The College also received private grant funds during 2019 intended to be used toward the new CTE building construction.

The College received $601,836 more cash during 2020 than in 2019, and $217,783 less cash in 2019 than 2018 from noncapital financing activities. The 2020 cash increase is because the College received cash of $756,961 from the CARES Act grant. The cash decrease in 2019 was related to less federal Pell grants received for student awards.

Capital and related financing activities are primarily related to capital asset purchases. There was a $1.0 million increase in 2020, and $1.0 million decrease in 2019. The increase in capital expenditures during 2020 is primarily due to $6.1 million cash payments for the CTE building, which were offset by cash receipts of $3.5 million from the Lewis-Clark State College Foundation to help pay CTE building construction costs. The decrease in these types of cash uses in 2019 compared to 2018, primarily related to less Spalding Hall costs as the remodeling project neared completion during 2019 and instructors returned to the building.

Cash flows from investing decreased approximately $1 million during 2020 and increased $1.2 million during 2019. No investment purchases occurred during 2020. The 2019 increase is primarily related to $1 million excess funds being reserved for CTE building construction when a five year certificate of deposit matured and was renewed for $1 million less and for a lesser time period.

Capital Asset and Debt Administration

The College had $102,302,158, and $93,624,124, and $91,216,647 of capital assets at June 30, 2020, 2019 and 2018, with accumulated depreciation of $45,494,758 and $43,398,926 and $40,862,324, respectively. Capital asset additions during fiscal year 2020 include payments toward the College's commitment for the CTE building after the Idaho State Department of Public Works (DPW) paid the first $10 million in construction costs. The College also closed three DPW projects, Reid Hall roof, Sam Glenn HVAC and Library fire alarm system, during 2020. Capital asset additions during fiscal year 2019 include the final remodeling costs to Spalding Hall, architecture and infrastructure costs for the CTE building, conference center folding walls, HVAC and roof improvements. The College also continued to purchase several personal residences near the campus for student housing during both 2020 and 2019.

The College paid off its final note payable during 2017, did not enter into any new long-term notes during any of the current fiscal years, and has no amounts due at June 30, 2020, 2019, and 2018.

Additional information concerning capital assets and debt administration is detailed in Notes 1, 5, and 6 as part of the notes to the financial statements.

Economic Outlook

The College, as a state institution, is directly impacted by trends in the Idaho economy, which continues to show positive signs. As of August 2020, the State Division of Financial Management (DFM) forecasts that revenues for fiscal year 2021 will be $4.1 billion for the state of Idaho, representing a 2.0% increase over fiscal year 2020 revenues. The DFM expects $79.3 million new revenue in FY 2020 even with the anticipated economic impact of the current pandemic. The Idaho unemployment rate is expected to increase during the spring 2021 but rebound in the fall. The College's headcount enrollment for Fall 2020 decreased about 6% compared to Fall 2019. With no increases in the full-time and part-time tuition rate fees the College is projecting student tuition revenues to be $16.1 million in fiscal year 2021.

The College's general fund appropriation for fiscal year 2021 decreased by 1.9% over the fiscal year 2020 level resulting in $17.3 million. A key component of the decrease is a $531,000 enrollment workload adjustment of which is partially offset by an increase of $279,500 to provide for a Change in Employee Compensation of which includes positions targeted for an additional increase. Funding was decreased due to temporary insurance and sick leave reduction provided by the State of Idaho. The College's Normal School endowment distribution will increase to almost $2.7 million, an approximately 7.8% increase, for fiscal year 2021. The Career and Technical Education (CTE) funding level from the State will decrease by 1.0% to $4.9 million for 2021. The College will also receive a one-time Higher Education Stabilization Fund (HESF) amount of $531,000. The Idaho Legislature designated an additional $2.5 million, in addition to the original $10 million, toward a new CTE facility in the Lewiston Orchards. It will be adjacent to the new Lewiston High School which will serve as a regional CTE center for area high schools. The 75,000-square-foot facility will house Technical & Industrial Division programs. The College raised $7.4 million in grants and donations to be used toward the College's portion of construction costs.

The College is also directly and indirectly impacted by national and global health and economic trends. Among the potential negative trends impacting virtually all higher education are concerns about the coronavirus pandemic, rapidly increasing health care costs, changes in federal regulations, weak global economic growth reducing international trade, and volatility of equity and bond markets (with the Lewis-Clark State College Foundation's endowments being most directly affected by stock market trends). On the positive side, the College is promoting health and safety through educational information, following recommended health precautions, and offering remote and hybrid learning options to students during the pandemic to keep the students connected to the College. There has been a continued national decrease in the number of international students during 2020 which may affect the College's future enrollment numbers especially as the coronavirus pandemic continues.

In summary, the economic outlook is generally positive, with no indications that any near-term systemic factors would have a material negative impact on the financial health and viability of the College. Since the College has no indebtedness, it allows for greater financial flexibility.

LEWIS-CLARK STATE COLLEGE

STATEMENTS OF NET POSITION
JUNE 30, 2020 and 2019

	LCSC		Component Unit	
ASSETS	2020	2019	2020	2019
CURRENT ASSETS				
Cash and cash equivalents	$ 3,385,401	$ 2,507,391	$ 627,281	$ 1,867,120
Cash with treasurer	14,968,445	16,729,749	-	-
State of Idaho LGIP deposits	12,911,772	11,864,490	-	-
Investments	1,599,062	-	-	-
Accounts receivable and unbilled charges	771,922	712,079	-	-
Due from Lewis-Clark State College	-	-	65,061	231,565
Pledges receivable	-	-	663,543	1,053,335
Student loans receivable	135,000	123,510	-	-
Prepaid expenses	304,286	334,860	-	-
Total current assets	34,075,888	32,272,079	1,355,885	3,152,020
NONCURRENT ASSETS				
Student loans receivable, less allowance for doubtful loans of $61,000 and $61,000 for 2020 and 2019, respectively	218,758	289,752	-	-
Investments	-	1,551,922	9,986,922	9,524,899
Sick leave reserve fund excess funding	2,657,021	2,458,008	-	-
Long-term pledges receivable	-	-	735,000	1,193,330
Investment in capital assets	2,613,348	2,613,348	-	-
Capital assets, net	56,807,400	50,225,198	-	-
Total noncurrent assets	62,296,527	57,138,228	10,721,922	10,718,229
TOTAL ASSETS	96,372,415	89,410,307	12,077,807	13,870,249
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	983,646	1,142,989	-	-
Deferred outflows related to other post employment benefits	797,193	168,982	-	-
Deferred outflows related to sick leave insurance reserve fund	152,254	161,475	-	-
Total deferred outflows of resources	1,933,093	1,473,446	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	**$ 98,305,508**	**$ 90,883,753**	**$ 12,077,807**	**$ 13,870,249**

See notes to financial statements. (Continued)

LEWIS-CLARK STATE COLLEGE

STATEMENTS OF NET POSITION
JUNE 30, 2020 and 2019

	LCSC		Component Unit	
LIABILITIES	2020	2019	2020	2019
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	$ 1,891,526	$ 765,213	$ -	$ -
Accrued salaries and benefits payable	2,189,339	2,012,875	-	-
Compensated absences payable	943,455	870,829	-	-
Due to component unit	65,061	231,565	-	-
Due to State of Idaho	351,038	430,817	-	-
Unearned revenue	1,186,571	1,420,959	-	-
Amounts held in trust for others	308,175	270,464	-	-
Gift annuities payable	-	-	23,991	25,154
Total current liabilities	6,935,165	6,002,722	23,991	25,154
NONCURRENT LIABILITIES				
Gift annuities payable	-	-	509,616	533,607
Net PERSI pension liability	1,970,311	2,632,151	-	-
Total other postemployment benefit liability	6,809,317	5,893,505	-	-
Total noncurrent liabilities	8,779,628	8,525,656	509,616	533,607
TOTAL LIABILITIES	15,714,793	14,528,378	533,607	558,761
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	1,100,314	696,032	-	-
Deferred inflows related to other post employment benefits	601,190	668,083	-	-
Deferred inflows related to sick leave insurance reserve fund	169,248	186,783	-	-
Beneficial interests in gift annuity agreements	-	-	515,943	555,666
Total deferred inflows of resources	1,870,752	1,550,898	515,943	555,666
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	17,585,545	16,079,276	1,049,550	1,114,427
NET POSITION				
Net investment in capital assets	57,679,886	52,850,968	-	-
Restricted for:				
Nonexpendable	-	-	5,431,118	5,229,563
Expendable	3,292,512	3,168,953	4,838,210	6,788,691
Unrestricted	19,747,565	18,784,556	758,929	737,568
TOTAL NET POSITION	80,719,963	74,804,477	11,028,257	12,755,822
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	**$ 98,305,508**	**$ 90,883,753**	**$ 12,077,807**	**$ 13,870,249**

See notes to financial statements.

LEWIS-CLARK STATE COLLEGE

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2020 and 2019

	LCSC		Component Unit	
	2020	2019	2020	2019
OPERATING REVENUES				
Student tuition and fees	$ 20,704,678	$ 20,467,544	$ -	$ -
Less scholarship discounts and allowances	(8,070,000)	(7,914,000)	-	-
Net tuition and fees	12,634,678	12,553,544	-	-
Federal grants and contracts	1,600,805	1,506,459	-	-
State and local grants and contracts	3,218,872	2,825,307	-	-
Private grants and contracts	298,885	44,800	-	-
Sales and services of educational activities	913,587	1,326,814	-	-
Sales and services of auxiliary enterprises	2,100,998	2,177,835	-	-
Gifts	-	-	2,361,794	1,337,379
Other	208,184	252,460	22,022	-
Total operating revenues	20,976,009	20,687,219	2,383,816	1,337,379
OPERATING EXPENSES				
Personnel costs	37,183,644	36,997,083	-	-
Services	4,469,842	5,303,949	-	-
Supplies	3,256,145	4,877,963	-	-
Insurance, utilities, and rent	1,523,969	1,567,492	-	-
Scholarships and fellowships	3,168,766	1,973,682	-	-
Depreciation	2,600,773	2,760,263	-	-
Miscellaneous	524,233	568,301	3,648	3,342
Total operating expenses	52,727,372	54,048,733	3,648	3,342
OPERATING (LOSS) INCOME	(31,751,363)	(33,361,514)	2,380,168	1,334,037
NONOPERATING REVENUES (EXPENSES)				
State appropriations	24,822,566	24,577,632	-	-
Pell and other federal grants	6,488,790	5,661,728	-	-
Gifts (including $4,412,853 and $904,419 from the Foundation for 2020 and 2019, respectively)	5,222,366	1,812,296	-	-
Net investment income	389,075	443,156	305,120	434,340
Distributions to the College	-	-	(4,412,853)	(904,419)
Net nonoperating revenues (expenses)	36,922,797	32,494,812	(4,107,733)	(470,079)
INCOME (LOSS) BEFORE OTHER REVENUES	5,171,434	(866,702)	(1,727,565)	863,958
OTHER REVENUES				
Capital appropriations	458,690	110,000	-	-
Capital grants and gifts	285,362	118,668	-	-
Total other revenues	744,052	228,668	-	-
INCREASE (DECREASE) IN NET POSITION	5,915,486	(638,034)	(1,727,565)	863,958
NET POSITION---BEGINNING OF YEAR	74,804,477	75,442,511	12,755,822	11,891,864
NET POSITION---END OF YEAR	$ 80,719,963	$ 74,804,477	$ 11,028,257	$ 12,755,822

See notes to financial statements.

LEWIS-CLARK STATE COLLEGE

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2020 and 2019

	LCSC 2020	LCSC 2019	Component Unit 2020	Component Unit 2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Student fees	$ 12,845,849	$ 12,625,973	$ -	$ -
Grants and contracts	4,620,581	4,982,626	-	-
Sales and services of educational activities	1,042,904	1,326,734	-	-
Sales and services of auxiliary enterprises	2,097,307	2,178,433	-	-
Donations received	-	-	3,327,551	1,969,031
Administrative endowment fees received	-	-	22,022	-
Payments to employees	(37,020,358)	(37,267,803)	-	-
Payments to suppliers	(5,237,946)	(6,115,583)	-	-
Other payments	(4,996,044)	(5,919,552)	(100,653)	(100,347)
Payments for scholarships and fellowships	(3,168,766)	(1,973,683)	-	-
Loans issued to students	(96,787)	(59,979)	-	-
Collection of loans from students	156,291	163,130	-	-
Other receipts	208,184	252,460	-	-
Net cash provided (used) by operating activities	(29,548,785)	(29,807,244)	3,248,920	1,868,684
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State appropriations	24,822,566	24,577,632	-	-
Federal grants	6,488,790	5,661,728	-	-
Gifts	1,742,110	1,816,831	-	-
Agency account receipts	2,100,061	1,266,864	-	-
Agency account payments	(2,266,565)	(1,233,181)	-	-
Student loan receipts	10,294,709	10,702,038	-	-
Student loan payments	(10,294,709)	(10,702,038)	-	-
Higher Education Stabilization Fund	(79,779)	115,473	-	-
Distributions to the College	-	-	(4,363,983)	(816,419)
Net cash provided (used) by noncapital financing activities	32,807,183	32,205,347	(4,363,983)	(816,419)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital grants and gifts	3,743,494	30,668	-	-
Purchase of capital assets	(7,187,154)	(2,433,137)	-	-
Net cash used in capital and related financing activities	(3,443,660)	(2,402,469)	-	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	349,250	401,911	247,783	199,380
Purchase of investments	-	(1,532,739)	(2,439,448)	(847,119)
Proceeds from sale of investments	-	2,532,739	2,066,889	849,254
Net cash provided (used) by investing activities	349,250	1,401,911	(124,776)	201,515
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	163,988	1,397,545	(1,239,839)	1,253,780
CASH AND CASH EQUIVALENTS---BEGINNING OF THE YEAR	31,101,630	29,704,085	1,867,120	613,340
CASH AND CASH EQUIVALENTS---END OF THE YEAR	$ 31,265,618	$ 31,101,630	$ 627,281	$ 1,867,120

See notes to financial statements.

(Continued)

LEWIS-CLARK STATE COLLEGE

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2020 and 2019

RECONCILIATION OF NET OPERATING (LOSS) INCOME TO NET CASH AND CASH EQUIVALENTS PROVIDED (USED) BY OPERATING ACTIVITIES	LCSC 2020	LCSC 2019	Component Unit 2020	Component Unit 2019
Operating (Loss) Income	$ (31,751,363)	$ (33,361,514)	$ 2,380,168	$ 1,334,037
Adjustments to reconcile operating (loss) income to net cash used in operating activities:				
Noncash donations	-	-	(48,572)	(88,000)
Depreciation expense	2,600,773	2,760,263	-	-
Effect on cash from changes in operating assets and liabilities:				
Receivables, net	(67,158)	264,581	-	-
Due from Lewis-Clark State College	-	-	166,207	(33,683)
Pledges receivable	-	-	848,122	753,335
Prepaid expenses and deferred costs	30,574	(328,197)	-	-
Loans to students	59,504	103,151	-	-
Pension assets and liabilities	(98,215)	(202,584)	-	-
Other postemployment benefit assets and liabilities	220,708	165,534	-	-
Sick leave reserve fund assets and liabilities	(207,327)	(259,570)	-	-
Accounts payable and accrued liabilities	(392,270)	357,745	-	-
Accrued salaries and benefits payable	176,464	22,474	-	-
Compensated absences payable	72,626	3,431	-	-
Gift annuities payable	-	-	(25,154)	(69,767)
Beneficial interests in gift annuities	-	-	(71,851)	(27,238)
Amounts held in trust for others	37,711	(22,543)	-	-
Unearned revenue	(230,812)	689,985	-	-
Net cash provided (used) by operating activities	$ (29,548,785)	$ (29,807,244)	$ 3,248,920	$ 1,868,684
SUPPLEMENTAL DISCLOSURE OF NONCASH TRANSACTIONS				
Capital assets acquired through Dept. of Public Works' appropriations	$ 458,960	$ 110,000	$ -	$ -
Capital assets donated from the LCSC Foundation, Inc.	$ 18,548	$ 88,000		

See notes to financial statements.

LEWIS-CLARK STATE COLLEGE

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lewis-Clark State College (College) is part of the public system of higher education in the State of Idaho. The system is considered part of the State of Idaho financial reporting entity. The State Board of Education, appointed by the Governor and confirmed by the legislature, directs the system. The College is located in Lewiston, Idaho. Significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

Financial Statement Presentation— The College has presented its financial statements in accordance with all Governmental Accounting Standards Board (GASB) Statements that are effective as of June 30, 2020. This includes discrete presentation of financial statements for its component unit, the Lewis-Clark State College Foundation (Foundation). The Foundation acts solely as a fund-raising organization to supplement the resources that are available to the College in support of its programs, and the resources and income of the Foundation are donor restricted to the activities of the College. Because these restricted resources held by the Foundation can only be used by or for the benefit of the College, the Foundation is considered a component unit of the College. See Note 13 for the relevant information related to the Foundation.

Basis of Accounting—For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the College's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated.

Cash and Cash Equivalents—The College considers all cash on hand, cash deposits and short term instruments deposited with banks to be cash equivalents.

Cash with Treasurer – Balances classified as cash with treasurer are amounts that are required to be remitted to the State of Idaho as a result of the student fee collection process and, once remitted, these balances are under the control of the State Treasurer.

Student Loans Receivable—Loans receivable from students bear interest at the rate of 5% and are generally repayable in installments to the College over a 10-year period commencing 9 months after the date of separation from the College.

Accounts Receivable—Accounts receivable consist of fee charges to students and auxiliary enterprise services provided to students, faculty and staff; the majority of each residing in the State of Idaho. Accounts receivable also includes amounts due from the federal government, state and local governments, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Accounts receivable are recorded net of estimated uncollectible amounts.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments—The College accounts for its investments at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Changes in unrealized gains and losses on the carrying value of investments are reported as a component of net investment income in the Statements of Revenues, Expenses, and Changes in Net Position.

Additional disclosure is required of fair value measurement through GASB Statement No. 72, *Fair Value Measurement and Application,* which requires the use of a three-level hierarchy based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, permits qualifying external investment pools to measure its investments at amortized cost. The Idaho Local Government Investment Pool (LGIP) does not meet all the specific criteria of Statement 79 and the College has measured its investment in the LGIP as provided in GASB Statement 31.

More comprehensive disclosure of common risks associated with the deposits and investments are detailed in Notes 2 and 13, as per the requirements of GASB Statement No. 40, *Deposit and Investment Risk Disclosures.*

Deferred Outflows of Resources—Deferred outflows of resources are a consumption of net assets by the College that are applicable to future reporting periods. Similar to assets, they have a positive effect on net position. The College's deferred outflows of resources relate to the College's pension, other postemployment benefit plans and sick leave insurance reserve fund.

Capital Assets, net—Capital assets are stated at cost when purchased or constructed, or if acquired by gift, at the estimated fair value at the date of gift. The College's capitalization policy includes all items with a unit cost of $5,000 or more, and an estimated useful life of greater than one year. Renovations to buildings and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the period in which the expense was incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets; 50 years for buildings, 10 to 40 years for building improvements, 10 years for library books, and 5 to 15 years for equipment.

Compensated Absences—Employee vacation pay and estimated benefits that are earned but unused are accrued at year end and presented in the *Statements of Net Position.*

Unearned Revenues—Unearned revenues include amounts received for tuition, fees and certain auxiliary activities prior to the end of the fiscal year but relate to the subsequent accounting period. Unearned revenues also include amounts received from grant and contract sponsors, and state agencies that have not yet been earned.

Noncurrent Liabilities—Noncurrent liabilities include principal amounts of notes payable, total other postemployment obligations with contractual maturities greater than one year, and net PERSI pension liability.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Inflows of Resources—Deferred inflows of resources are an acquisition of net assets that are applicable to future reporting periods. Similar to liabilities, they have a negative effect on net position. The College's deferred inflows of resources relate to the College's pension plan, other postemployment benefit plans and sick leave insurance reserve fund; and the Foundation's gift annuity agreements.

Net Position—The College's net position is classified as follows:

> *Net Investment in Capital Assets*—This represents the College's total investment in capital assets, net of outstanding debt obligations related to those capital assets.
>
> *Restricted—Nonexpendable*—Nonexpendable restricted net position consists of endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.
>
> *Restricted—Expendable*—Restricted expendable net position includes resources the College is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.
>
> *Unrestricted*—Unrestricted net position represents resources derived from student fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. These resources are used for transactions related to the educational and general operations of the College, and may be used to meet current expenses for any lawful purpose in compliance with State Board of Education (Board) Policy.

When an expense is incurred that can be paid using either restricted or unrestricted resources, restricted resources will be used first, if permitted by the terms of the restrictions.

Income Taxes—The College, as a political subdivision of the State of Idaho, is excluded from federal income taxes under Section 115(1) of the Internal Revenue Code, as amended. Activities unrelated to those of the College are subject to corporate tax rates.

Classification of Revenues and Expenses—The College has classified its revenues and expenses as either operating or nonoperating according to the following criteria:

> *Operating Revenues and Expenses*—include activities that have the characteristics of exchange transactions, such as student fees, sales and services of educational activities and auxiliary enterprises, as well as most gifts, federal, state and local grants and contracts that support operations, interest revenue on institutional loans; and expenses such as personnel, services, supplies, scholarships and depreciation.
>
> *Nonoperating Revenues and Expenses*—include revenues and expenses from activities that have the characteristics of non-exchange transactions, such as gifts and capital contributions, federal financial aid grants, and other revenue resources that are defined as nonoperating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34, *Basic Financial Statements and*

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Classification of Revenues and Expenses (Continued)

Management's Discussion and Analysis for State and Local Governments, such as state appropriations and investment income; and expenses such as interest on capital asset related debt and other.

Scholarship Discounts and Allowances—Student fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the statements of revenues, expenses, and changes in net position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by students and/or other third parties making payments on the students' behalf. Certain governmental grants, such as Pell grants, and other federal, state or nongovernmental programs are recorded as either operating or nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy student fees and related charges, the College has recorded a scholarship discount and allowance.

Use of Accounting Estimates—The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements, and revenues and expenses during the year. Actual results could differ from those estimates.

Pensions—For purposes of measuring the net pension liability and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from the Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits (OPEB)—For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the state of Idaho postemployment benefit plans and additions to and deductions from the plans have been determined on the same basis as they are reported by the Idaho plans. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Sick Leave Insurance Reserve Fund (SLIRF)—For purposes of measuring the total SLIRF asset, deferred outflows of resources and deferred inflows of resources related to SLIRF, SLIRF expense, information about the state of Idaho sick leave insurance fund and additions to and deductions from the fund have been determined on the same basis as they are reported by the Idaho fund. For this purpose, fund payments are recognized when due and payable in accordance with the fund terms. Investments are reported at fair value.

2. CASH AND CASH EQUIVALENTS, CASH WITH TREASURER, LGIP DEPOSITS, AND INVESTMENTS

Deposits **–** Cash and cash equivalents are deposited with various financial institutions. Cash with treasurer is under the control of the State Treasurer. Deposits are held with the Idaho State Treasury Local Government Investment Pool (LGIP).

Custodial credit risk
Custodial credit risk is the risk that in the event of a financial institution failure, the College's deposits may not be returned. The State's policy for managing custodial risk can be found in the Idaho Code, Section 67-2739. Management believes the College is in compliance with this policy. As of June 30, 2020 and 2019, total deposits consisted of the following:

	2020	2019
Cash on hand	$ 17,332	$ 35,705
FDIC insured financial institution deposits	500,540	515,541
Uninsured financial institution deposits	2,867,529	1,956,145
Total cash and cash equivalents	3,385,401	2,507,391
Idaho State Treasurer deposits	14,968,445	16,729,749
State of Idaho LGIP deposits	12,911,772	11,864,490
Total deposits	$ 31,265,618	$ 31,101,630
Current investments	$ 1,599,062	$ -
Noncurrent investments	$ -	$ 1,551,922

As of June 30, 2020 and 2019, $2,867,529 and $1,956,145 of the College's financial institution balances were uncollateralized and exposed to custodial credit risk. The Idaho State Treasurer and State of Idaho LGIP deposits, managed by the Idaho State Treasurer, are commingled with deposits from other state agencies and invested according to Idaho Code. As of June 30, 2020 and 2019, 45% and 55% of total State Treasurer investments were in the form of government agency and U.S. Treasury notes. As of June 30, 2020 and 2019, 60% and 65% of total LGIP investments were in the form of government agency and U.S. Treasury notes.

An original five year certificate of deposit matured October 22, 2018 with a balance of $2,532,739. A new two year certificate was purchased for $1,532,739 with a maturity date of October 25, 2020. The certificates are recorded as a current investment as of June 30, 2020, and a noncurrent investment as of June 30, 2019.

Fair Value Measurement
The College categorizes its fair value measurements within the fair value hierarchy established by GASB Statement 72. The Idaho State Treasurer and State of Idaho LGIP deposits do not meet the criteria of Statement 72 and are exempt from the level categories. The deposits are valued at fair value outside the leveling measurement. The CD investment is valued at Level 1 since it is a negotiable CD with minimal early withdrawal penalties.

2. CASH AND CASH EQUIVALENTS, CASH WITH TREASURER, LGIP DEPOSITS, AND INVESTMENTS (CONTINUED)

Credit risk

None of the investments have assigned credit ratings. The College follows objectives to provide safety of the principal, allow liquidity and achieve a maximum return through investments in local financial institutions and in investment pools managed by the State of Idaho.

Interest rate risk

The College seeks to control interest rate risk in long-term investments by attempting to match anticipated cash requirements for investment maturities. The College incorporates weighted average maturity methodology in selecting and reporting its investments. The College held one certificate of deposit with a maturity greater than 1 year, as of June 30, 2019. The College's State Treasurer and LGIP deposits may be withdrawn at any time. The State Treasurer has a weighted average maturity of 292 days and 420 days as of June 30, 2020 and 2019. The LGIP has a weighted average maturity of 177 days and 88 days as of June 30, 2020 and 2019 respectively.

Foreign currency risk

The College has no funds deposited that are subject to foreign currency risk, either in financial institutions or through the Idaho State Treasurer or the State of Idaho LGIP funds.

3. ACCOUNTS RECEIVABLE AND UNBILLED CHARGES

Accounts receivable and unbilled charges consisted of the following at June 30, 2020 and 2019:

	2020	2019
Student fees	$ 92,539	$ 121,226
Federal, state and nongovernmental grants and contracts	631,758	538,443
Other receivables	42,087	43,247
Investment income	-	7,315
Funds held in custody for others	5,538	1,848
	$ 771,922	$ 712,079

4. STUDENT LOANS RECEIVABLE

Student loans made through the Federal Perkins Loan Program (FPLP) and the Nursing Student Loan Program (NSLP) comprise the loans receivable at June 30, 2020 and 2019.

FPLP requires the College to match federal contributions. A portion or all of the loan principal and interest may be cancelled upon the occurrence of certain events. The amount of such cancellations is partially absorbed by the Federal Government.

The FPLP expired September 30, 2017 and the College can no longer make new loans to students. During fiscal year 2020, the College was required to return federal Perkins excess cash of $38,140 to the Department of Education. Institutional excess cash and service cancellation reimbursements of $53,077 were transferred out of the College's Perkins Revolving Fund.

As the College determines that loans are uncollectible and not eligible for reimbursement by the Federal Government, the loans are written off and assigned to the U.S. Department of Education. The allowance for uncollectible loans only applies to College funded loans and the College portion of federal student loans, as the College is not obligated to fund the federal portion of uncollected student loans. The College has provided an allowance for uncollectible loans, which is believed to be sufficient to absorb the College's portion of the loans that will ultimately be written off.

The NSLP program requires the College to match one-ninth of the awarded funds.

Student loans receivable at June 30, 2020 and 2019 consisted of the following:

	2020		
	Current	Noncurrent	Total
Federal Perkins Loan Program	$ 76,000	$ 127,487	$ 203,487
Nursing Student Loan Program	59,000	152,271	211,271
Total student loan receivables	135,000	279,758	414,758
Less allowance for doubtful accounts	-	(61,000)	(61,000)
Student loans receivable, net	$ 135,000	$ 218,758	$ 353,758

	2019		
	Current	Noncurrent	Total
Federal Perkins Loan Program	$ 64,000	$ 215,396	$ 279,396
Nursing Student Loan Program	59,000	135,356	194,356
Miscellaneous Loans	510	-	510
Total student loan receivables	123,510	350,752	474,262
Less allowance for doubtful accounts	-	(61,000)	(61,000)
Student loans receivable, net	$ 123,510	$ 289,752	$ 413,262

5. CAPITAL ASSETS — NET

Following are the changes in capital assets, for the year ended June 30, 2020:

	Balance June 30, 2019	Additions	Transfers	Retirements	Balance June 30, 2020
Capital assets not being depreciated:					
Land	$ 3,254,732	$ 45,000	$ -	$ -	$ 3,299,732
Capitalized collections	15,000	-	-	-	15,000
Construction in progress	5,508,320	7,558,563	(212,382)	-	12,854,501
Total capital assets not being depreciated	$ 8,778,052	$ 7,603,563	$ (212,382)	$ -	$ 16,169,233
Other capital assets:					
Buildings and improvements	$ 69,378,123	$ 835,116	$ 212,382	$ -	$ 70,425,621
Furniture, fixtures and equipment	9,344,070	620,414	-	(242,436)	9,722,048
Library materials	6,123,879	123,882	-	(262,505)	5,985,256
Total other capital assets	84,846,072	1,579,412	212,382	(504,941)	86,132,925
Less accumulated depreciation:					
Buildings and improvements	(31,400,499)	(1,722,755)	-	-	(33,123,254)
Furniture, fixtures and equipment	(6,778,374)	(698,371)	-	242,436	(7,234,309)
Library materials	(5,220,053)	(179,647)	-	262,505	(5,137,195)
Total accumulated depreciation	(43,398,926)	(2,600,773)	-	504,941	(45,494,758)
Other capital assets net of accumulated depreciation	$ 41,447,146	$(1,021,361)	$ 212,382	$ -	$ 40,638,167
Capital assets summary:					
Capital assets not being depreciated	$ 8,778,052	$ 7,603,563	$ (212,382)	$ -	$ 16,169,233
Other capital assets at cost	84,846,072	1,579,412	212,382	(504,941)	86,132,925
Total cost of capital assets	93,624,124	9,182,975	-	(504,941)	102,302,158
Less accumulated depreciation	(43,398,926)	(2,600,773)	-	504,941	(45,494,758)
Capital assets, net	$ 50,225,198	$ 6,582,202	$ -	$ -	$ 56,807,400

5. CAPITAL ASSETS — NET (CONTINUED)

Following are the changes in capital assets, for the year ended June 30, 2019:

	Balance June 30, 2018	Additions	Transfers	Retirements	Balance June 30, 2019
Capital assets not being depreciated:					
Land	$ 3,209,732	$ 45,000	$ -	$ -	$ 3,254,732
Capitalized collections	15,000	-	-	-	15,000
Construction in progress	4,049,064	1,530,149	(70,893)	-	5,508,320
Total capital assets not being depreciated	$ 7,273,796	$ 1,575,149	$ (70,893)	$ -	$ 8,778,052
Other capital assets:					
Buildings and improvements	$ 68,955,335	$ 351,895	$ 70,893	$ -	$ 69,378,123
Furniture, fixtures and equipment	8,917,765	544,840	-	(118,535)	9,344,070
Library materials	6,069,751	159,254	-	(105,126)	6,123,879
Total other capital assets	83,942,851	1,055,989	70,893	(223,661)	84,846,072
Less accumulated depreciation:					
Buildings and improvements	(29,611,467)	(1,789,032)	-	-	(31,400,499)
Furniture, fixtures and equipment	(6,144,232)	(752,677)	-	118,535	(6,778,374)
Library materials	(5,106,625)	(218,554)	-	105,126	(5,220,053)
Total accumulated depreciation	(40,862,324)	(2,760,263)	-	223,661	(43,398,926)
Other capital assets net of accumulated depreciation	$ 43,080,527	$ (1,704,274)	$ 70,893	$ -	$ 41,447,146
Capital assets summary:					
Capital assets not being depreciated	$ 7,273,796	$ 1,575,149	$ (70,893)	$ -	$ 8,778,052
Other capital assets at cost	83,942,851	1,055,989	70,893	(223,661)	84,846,072
Total cost of capital assets	91,216,647	2,631,138	-	(223,661)	93,624,124
Less accumulated depreciation	(40,862,324)	(2,760,263)	-	223,661	(43,398,926)
Capital assets, net	$ 50,354,323	$ (129,125)	$ -	$ -	$ 50,225,198

The estimated cost to complete property authorized or under construction at June 30, 2020 and 2019 is $4,046,414 and $27,527,668, respectively. These costs will be financed by state appropriations and available local resources.

5. CAPITAL ASSETS — NET (CONTINUED)

Institutional funds included in the construction costs of the Student Activity Center are reported as Investment in Capital Assets since ownership of the facility will not pass to the College until debt incurred by the State of Idaho for the majority of the project cost is retired. See Note 10. The total amount in Investment in Capital Assets was $2,613,348 as of June 30, 2020 and 2019.

Certain land on which four campus buildings are located was donated to the College by the City of Lewiston. Under terms of the gift, ownership of the land reverts back to the City if it ceases to be used for educational purposes. This land is reflected in Capital Assets in the amount of $19,200 as of June 30, 2020 and 2019.

6. NOTES PAYABLE

The College does not have any outstanding notes payable as of June 30, 2020 and 2019.

7. RESTRICTED NET POSITION

Certain expendable assets are classified as restricted assets on the *Statements of Net Position.* The purpose and amounts of restricted assets as of June 30, 2020 and 2019 are as follows:

	2020	2019
Federal student loan programs	$ 489,527	$ 591,639
Institutional student loan programs	143,527	125,184
Grants and contracts	19,431	19,430
Sick leave insurance reserve fund	2,640,027	2,432,700
Total restricted net position	$ 3,292,512	$ 3,168,953

8. RETIREMENT PLANS

Public Employee Retirement System of Idaho

Plan Description

The College contributes to the Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employee Retirement System of Idaho (PERSI or System) that covers substantially all employees of the State of Idaho, its agencies and various participating political subdivisions. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

8. RETIREMENT PLANS (CONTINUED)

Public Employee Retirement System of Idaho (Continued)

Plan Description (Continued)

Responsibility for administration of the Base Plan is assigned to the Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens not members of the Base Plan except by reason of having served on the Board.

Employee membership data related to the PERSI Base Plan, as of June 30, 2019 and 2018 measurement dates, were as follows:

	2019	2018
Retirees and beneficiaries currently receiving benefits	48,120	46,907
Terminated employees entitled to but not yet receiving benefits	13,536	13,133
Active plan members	72,502	71,112
Total system members	134,158	131,152

Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% of the average monthly salary for the highest consecutive 42 months.

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

Member and Employer Contributions

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) that are adequate to accumulate sufficient assets to pay benefits when due.

8. RETIREMENT PLANS (CONTINUED)

Public Employee Retirement System of Idaho (Continued)

Member and Employer Contributions (Continued)

The contribution rates for employees are set by statute at 60% of the employer rate. As of June 30, 2020 and 2019 it was 7.16% and 6.79%, respectively. The employer contribution rate, as a percent of covered payroll, is set by the Retirement Board and was 11.94% and 11.32%, respectively. The College's contributions were $685,443 and $663,644 for the years ended June 30, 2020 and 2019, respectively.

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020 and June 30, 2019, the College reported a liability of $1,970,311 and $2,632,151, respectively for its proportionate share of the net pension liability. The net pension liability for each year was measured as of June 30, 2019 and 2018, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. The College's proportion of the net pension liability for each year was based on the College's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At June 30, 2019 and 2018 measurement dates, the College's proportion was .001726114 and .001784488 percent.

For the years ended June 30, 2020 and 2019, respectively, the College recognized pension expense of $583,657 and $461,060. At June 30, 2020 and 2019, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 671,228
Differences between expected and actual experience	183,110	232,211
Changes in assumptions or other inputs	109,600	-
Changes in proportion and differences between the contributions and the proportionate contributions	9,064	196,875
Subtotal	301,774	1,100,314
Contributions subsequent to the measurement date	681,872	-
Total	$ 983,646	$ 1,100,314

8. RETIREMENT PLANS (CONTINUED)

Public Employee Retirement System of Idaho (Continued)

Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

	2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 292,447
Differences between expected and actual experience	288,936	198,790
Changes in assumptions or other inputs	171,273	-
Changes in proportion and differences between the contributions and the proportionate contributions	19,136	204,795
Subtotal	479,345	696,032
Contributions subsequent to the measurement date	663,644	-
Total	$ 1,142,989	$ 696,032

$681,872 reported as deferred outflows of resources related to pensions resulting from College contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021.

The average of the expected remaining service lives of all employees that are provided with pensions through the System (active and inactive employees) determined at the beginning of the measurement period is 4.8 years and 5.5 years for the measurement periods ending June 30, 2019 and June 30, 2018.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Year ended June 30	
2021	$ (141,208)
2022	(364,965)
2023	(190,099)
2024	(102,268)
	$ (798,540)

8. RETIREMENT PLANS (CONTINUED)

Public Employee Retirement System of Idaho (Continued)

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

The total pension liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases including inflation	3.75%
Investment rate of return	7.05%, net of investment expenses
Cost-of-living adjustments	1.00%

Mortality rates were based on the RP – 2000 combined table for healthy males or females as appropriate with the following offsets:

- Set back 3 years for teachers
- No offset for male fire and police
- Forward one year for female fire and police
- Set back one year for all general employees and all beneficiaries

An experience study was performed for the period July 1, 2007 through June 30, 2013 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009 through June 30, 2013. The total pension liability as of June 30, 2020 and 2019 are based on the results of actuarial valuation dates of July 1, 2019 and 2018, respectively.

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown

8. RETIREMENT PLANS (CONTINUED)

Public Employee Retirement System of Idaho (Continued)

Actuarial Assumptions (Continued)

below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Asset Class	Target Allocation	Expected Nominal Rate of Return	Expected Real Rate of Return
Core Fixed Income	30.00%	3.05%	.80%
Broad US Equities	55.00%	8.30%	6.05%
Developed Foreign Equities	15.00%	8.45%	6.20%
Assumed Inflation - Mean		2.25%	2.25%
Assumed Inflation – Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.75%	4.5%
Portfolio Standard Deviation		12.54%	12.54%
Portfolio Long-Term (Geometric) Expected Rate of Return		6.13%	3.77%
Assumed Investment Expenses		.40%	.40%
Net of Investment Expenses		5.73%	3.37%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.19%
Portfolio Standard Deviation			14.16%

Valuation Assumptions Chosen by PERSI Board

Long-Term Expected Rate of Return, Net of Investment Expenses	4.05%
Assumed Inflation	3.00%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	7.05%

8. RETIREMENT PLANS (CONTINUED)

Public Employee Retirement System of Idaho (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.05%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

Sensitivity of the College's proportionate share of the net pension liability to changes in the discount rate

The following presents the College's proportionate share of the net pension liability calculated using the discount rate of 7.05 percent, as well as what the College's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

	1% Decrease 6.05%	Current Discount Rate 7.05%	1% Increase 8.05%
College's proportionate share of the net pension liability (asset)	$ 5,951,099	$ 1,970,311	$ (1,321,673)

Pension plan fiduciary net position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained on the PERSI website at www.persi.idaho.gov.

Payables to the pension plan

At June 30, 2020 and June 30, 2019, the College had no payables to the defined benefit pension plan for legally required employer or employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

8. RETIREMENT PLANS (CONTINUED)

Optional Retirement Plan

Effective July 1, 1990, the Idaho State Legislature authorized the Idaho State Board of Education to establish an Optional Retirement Plan (“ORP”), a defined contribution plan, for faculty and exempt employees. The employee contribution requirement for the ORP is based on a percentage of total payroll. Employer contributions are determined by the State of Idaho. The plan provisions were established by and may be amended by the State of Idaho.

New faculty and exempt employees hired July 1, 1990 or thereafter automatically enroll in the ORP and select their vendor option. Faculty and exempt employees hired before July 1, 1990 had a one-time opportunity to enroll in the ORP. Enrollees in the ORP no longer belong to PERSI. Vendor options include Teachers Insurance and Annuity Association—College Retirement Equities Fund and Variable Annuity Life Insurance Company.

Participants are immediately fully vested in the ORP. Retirement benefits are available either as a lump sum or any portion thereof upon attaining 55 years of age. The contribution requirement (and amount paid) for the years ended June 30, 2020 and 2019 was $3,083,818 and $3,008,665, respectively, which consisted of $1,751,667 and $1,717,428, respectively, from the College and $1,332,151 and $1,291,237 , respectively, from employees. For both 2020 and 2019, these contributions represented approximately 9.3% of covered payroll for the College and its employees.

Although enrollees in the ORP no longer belong to PERSI, the College is required to contribute to PERSI. These annual supplemental payments are required through July 1, 2025. During the years ended June 30, 2020 and 2019, this supplemental funding payment made to PERSI was $281,392 and $276,234 or 1.49% of the covered payroll, respectively. These amounts are not included in the regular College PERSI contribution discussed previously.

Supplemental Retirement Plans - Full and part time faculty, classified and professional staff, enrolled in PERSI as their regular retirement plan, may enroll in supplemental 403(b), 401(k), and 457(b) plans. Full and part time faculty and professional staff enrolled in the ORP as their regular retirement plan may enroll in the 403(b) and the 457(b) plans.

401(k) - PERSI Choice Plan (PCP):
This is only available to active PERSI members. The Choice Plan contains employee gain sharing distributions, any voluntary employee contributions made, and the earnings on those funds.

457(b) - Deferred Compensation Plan:
The 457(b) is a voluntary retirement savings plan covered under Section 457(b) of the Internal Revenue Code. All College employees are eligible to participate in this plan. The plan is funded exclusively through employee pre-tax contributions.

457(b) – State of Idaho Plan:
The State of Idaho 457(b) plan is similar to the 457(b) Deferred Compensation Plan except that pre-tax and after tax (Roth) options are available.

8. RETIREMENT PLANS (CONTINUED)

Optional Retirement Plan (Continued)

Supplemental Retirement Plans (Continued)

403(b) Plan:
The 403(b) is a voluntary tax-sheltered retirement plan covered under Section 403(b) of the Internal Revenue Code. All College employees are eligible to participate in this plan. The plan is funded exclusively by employee pre-tax contributions.

Supplemental Employee Funded Plan	Participants at June 30, 2020	Approximate Annual Contributions
401(k) PERSI Choice	30	$ 151,281
457(b) Deferred Compensation	7	$ 45,292
403(b) Tax Deferred	57	$ 337,582

Supplemental Employee Funded Plan	Participants at June 30, 2019	Approximate Annual Contributions
401(k) PERSI Choice	36	$ 183,409
457(b) Deferred Compensation	6	$ 37,607
403(b) Tax Deferred	58	$ 320,552

Postemployment Benefits Other Than Pensions

Summary of Plans
The Department of Administration administers postemployment benefits for healthcare, disability and life insurance for retired or disabled employees of State agencies, public health districts, community colleges, and other political subdivisions that participate in the plans. The Retiree Healthcare and Long-Term Disability plans are reported as multiple-employer defined benefit plans. The Retiree Life Insurance plan is a single-employer defined benefit plan. Idaho Code Sections 67-5760 to 67-5768 and 72-1335, establish the benefits and contribution obligations. The plans do not issue publicly available financial reports. The most recent actuarial valuation is as of July 1, 2019. No assets are accumulated in a trust that meets the criteria in GASB Statement No. 75, paragraph 4; these benefits are funded on a pay-as-you-go basis. The costs of administering the plans are financed by a surcharge to employers on all active employees of $0.07 per person per month for fiscal year 2020. This rate is reviewed annually.

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Summary of Plans (Continued)

The number of participating employers and the classes of employees covered by the above plans are as follows:

June 30, 2020

Classes of Employees and Number of Participating Employers

	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Retiree Life Insurance Plan
Active Employees	7,633	19,911	-	-	5,713
Retired/Disabled Employees	584	107	291	50	1,595
Terminated, Vested Employees	-	-	-	-	121
Number of Participating Employers	25	25	25	25	2

June 30, 2019

Classes of Employees and Number of Participating Employers

	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Retiree Life Insurance Plan
Active Employees	7,633	19,911	-	-	5,713
Retired/Disabled Employees	584	107	291	50	1,595
Terminated, Vested Employees	-	-	-	-	121
Number of Participating Employers	25	25	25	24	4

Plan Descriptions and Funding Policy

Retiree Healthcare Plan

A retired employee of the College who receives monthly retirement benefits from the Public Employee Retirement System of Idaho (PERSI) may elect to purchase the retiree health insurance coverage for themselves and eligible dependents. Employees must enroll within 60 days of the date that the active employee policy ends. Additionally, the employee must be receiving PERSI monthly benefits at the time of retirement and must have 10 or more years (20,800 or more hours) of credited service. An employee must have been an active employee on or before June 30, 2009, and must retire directly from state service. Coverage is not available to

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Plan Descriptions and Funding Policy (Continued)

Retiree Healthcare Plan (Continued)
Medicare-eligible retirees or their Medicare-eligible dependents. Retirees eligible for medical health insurance pay the majority of the premium cost; however, the retiree plan costs are subsidized by the active employee plan. The benefit is at least $1,860 per retiree per year. The College was charged $11.04 per active employee per month towards the retiree premium cost.

Long-Term Disability Plan
Disabled employees are defined as being unable to perform each of the substantial and material duties of the job for which they were hired and unable to earn more than 70 percent of their monthly salary for the first 30 months of disability. If after 30 months the employee is unable to perform any job for which they are reasonably qualified by experience, education, or training, and unable to earn more than 60 percent of their monthly salary the employee is considered totally disabled. To qualify for long-term disability benefits, the waiting period of the longer of 26 continuous weeks of total disability or exhaustion of accrued sick leave must be met.

For up to 30 months following the date of disability, an employee may continue healthcare coverage under this plan. The College pays 100 percent of the College's share of medical and dental premiums while the employee remains disabled. The employee is required to pay the normal active employee contribution for the plan and rate category in which the employee is enrolled.

The plan provides long-term disability income benefits to active employees who become disabled, generally up to a maximum age of 70. The gross benefit equals 60 percent of monthly pre-disability salary or $4,000, whichever is less. The benefit does not increase with inflation and may be offset by other disability benefits from Social Security, Workers' Compensation, or PERSI. The State is self-insured for employees who became disabled prior to July 1, 2003; the State pays 100 percent of the cost of this benefit. The amount of the contribution is based on active claims and the number of insured individuals.

Principal Life Insurance Company insures employees disabled on or after July 1, 2003, and the obligation for the payment of income benefits has been effectively transferred. The College pays 100 percent of the cost of the premiums. This portion of the long-term disability income benefit is not included in the actuarial estimate as this is considered an insured benefit.

This plan also provides basic life insurance and dependent life coverage to disabled employees, generally up to a maximum age of 70. The life insurance benefit amount is generally 100 percent of annual salary, but not less than $20,000. In addition, the plan provides a $2,000 life insurance benefit for spouses and a $1,000 life insurance benefit for dependent children. These benefits do not increase with inflation. The State is self-insured for employees who became disabled prior to July 1, 2012. The College pays 100 percent of the cost. The contribution is actuarially determined based on actual claims experience.

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Plan Descriptions and Funding Policy (Continued)

Long-Term Disability Plan (Continued)
Principal Life Insurance Company insures employees disabled on or after July 1, 2012, and the obligation for the payment of basic life and dependent life coverage benefits has been effectively transferred. The College pays 100 percent of the premiums. This portion of the basic life insurance and dependent life coverage is not included in the actuarial estimate as this is considered an insured benefit.

Retiree Life Insurance Plan
The College provides basic life insurance for certified retired employees. In general, the employee must have completed at least 30 years of credited service or the sum of his/her age and years of credited service must total at least 80 to qualify for this benefit. Eligible retirees receive basic life insurance coverage equal to 100 percent of their annual salary at retirement. The College pays 100 percent of the cost of basic life insurance for eligible retirees.

The College's payments required and paid as OPEB benefits came due for fiscal year ended June 30, 2020 and 2019 (*dollars in thousands*):

		Long-Term Disability Plan				
	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
OPEB Paid 2020	$ 55	$ 22	$ 10	$ 7	$ 118	$ 212

		Long-Term Disability Plan				
	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
OPEB Paid 2019	$ 79	$ 27	$ 12	$ 9	$ 108	$ 235

Summary of Significant Accounting Polices
The financial statements of the OPEB plans are reported using the accrual basis of accounting. Contributions are recorded when earned and expenses, including benefits and refunds paid, are recorded when a liability is incurred, regardless of the timing of cash flows.

Actuarial Assumptions
The last actuarial valuation was performed as of July 1, 2018, and rolled forward to June 30, 2020 and June 30, 2019 for the Retiree Healthcare, Long-Term Disability and Retiree Life Insurance plans. There have been no significant changes between the valuation date and the fiscal year end.

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Actuarial Assumptions (Continued)

The total OPEB liability as June 30, 2019 was based on the 2016 PERSI Experience study for demographic assumptions and the July 1, 2016 OPEB valuation and the FYE June 30, 2019 GASB 75 disclosure report for the economic and OPEB specific assumptions.

The entry age normal cost method and the following actuarial assumptions applied to all periods included in the measurement dates:

June 30, 2019

		Long-Term Disability Plan			
	Retiree Healthcare Plan	**Healthcare**	**Life Insurance**	**Income**	**Retiree Life Insurance Plan**
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%
Salary Increases	3.25% general wage growth plus increases due to promotions and longevity	3.25% general wage growth plus increases due to promotions and longevity	3.25% general wage growth plus increases due to promotions and longevity	3.25% general wage growth plus increases due to promotions and longevity	3.25% general wage growth plus increases due to promotions and longevity
Discount Rate	3.50%	3.50%	3.50%	3.50%	3.50%
Healthcare Cost Trend Rates	7.2% claims and 6.5% premiums from year ending June 30, 2019 to year ending June 30, 2020, grading to an ultimate rate of 4.2% for 2074 and later years	7.2% claims and 6.5% premiums from year ending June 30, 2019 to year ending June 30, 2020, grading to an ultimate rate of 4.2% for 2074 and later years	N/A	N/A	N/A

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Actuarial Assumptions (Continued)

June 30, 2018

		Long-Term Disability Plan			
	Retiree Healthcare Plan	**Healthcare**	**Life Insurance**	**Income**	**Retiree Life Insurance Plan**
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%
Salary Increases	3.25% general wage growth plus increases due to promotions and longevity	3.25% general wage growth plus increases due to promotions and longevity	3.25% general wage growth plus increases due to promotions and longevity	3.25% general wage growth plus increases due to promotions and longevity	3.25% general wage growth plus increases due to promotions and longevity
Discount Rate	3.87%	3.87%	3.87%	3.87%	3.87%
Healthcare Cost Trend Rates	7.2% claims and 6.5% premiums from year ending June 30, 2019 to year ending June 30, 2020, grading to an ultimate rate of 4.2% for 2074 and later years	7.2% claims and 6.5% premiums from year ending June 30, 2019 to year ending June 30, 2020, grading to an ultimate rate of 4.2% for 2074 and later years	N/A	N/A	N/A

Mortality Rates

Mortality rates for the Retiree Healthcare, the Long-Term Disability Healthcare, and the Retiree Life Insurance plans were based on the RP-2000 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with generational projection per Scale AA with adjustments. Mortality rates for the Long-Term Disability Life Insurance plan was based on the 2005 Group Term Life Waiver Reserve table developed by the Society of Actuaries. Mortality rates for the Long-Term Disability Income plan was based on the 2012 Group Long-Term Disability Valuation Table.

Discount Rate

The actuary used a discount rate of 3.50 percent to measure the total OPEB liability. The discount rate was based on 20 year Tax-Exempt Municipal Bond Buyer Go Index.

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Total OPEB Liability, OPEB Expense, and Deferrals

Total OPEB Liability

Total OPEB liability components as of measurement dates (dollars in thousands):

June 30, 2019

	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Retiree Life Insurance Plan	Total
Total OPEB Liability	$ 710	$ 27	$ 46	$ 34	$ 5,992	$ 6,809

June 30, 2018

	Retiree Healthcare Plan	Long-Term Disability Plan: Healthcare	Long-Term Disability Plan: Life Insurance	Long-Term Disability Plan: Income	Retiree Life Insurance Plan	Total
Total OPEB Liability	$ 542	$ 46	$ 56	$ 46	$ 5,204	$ 5,894

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Total OPEB Liability, OPEB Expense, and Deferrals (Continued)

Changes in total OPEB liability for the fiscal year ended June 30, 2020 (dollars in thousands):

	Increase (Decrease)					
		Long-Term Disability Plan				
	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Beginning Balances	$ 542	$ 46	$ 56	$ 46	$ 5,204	$ 5,894
Change in Proportionate Share	(36)	(3)	(3)	(6)	107	59
Adjusted Beginning Balances	506	43	53	40	5,311	5,953
Changes for the Year						
Service Cost	18	5	-	-	180	203
Interest on Total OPEB Liability	19	1	2	1	211	234
Effect of Assumptions Changes or Inputs	222	-	1	1	408	632
Expected Benefit Payments	(55)	(22)	(10)	(8)	(118)	(213)
Net Changes	204	(16)	(7)	(6)	681	856
Ending Balances	$ 710	$ 27	$ 46	$ 34	$ 5,992	$ 6,809

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Total OPEB Liability, OPEB Expense, and Deferrals (Continued)

Changes in total OPEB liability for the fiscal year ended June 30, 2019 (dollars in thousands):

	Increase (Decrease)					
		Long-Term Disability Plan				
	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Beginning Balances	$ 836	$ 55	$ 67	$ 49	$ 5,406	$ 6,413
Change in Proportionate Share	6	1	-	4	(139)	(128)
Adjusted Beginning Balances	842	56	67	53	5,267	6,285
Changes for the Year						
Service Cost	34	5	-	-	189	228
Interest on Total OPEB Liability	30	2	2	2	194	230
Effect of Economic / Demographic Gains or Losses	(4)	20	-	1	(90)	(73)
Effect of Assumptions Changes or Inputs	(281)	(10)	(1)	(1)	(248)	(541)
Expected Benefit Payments	(79)	(27)	(12)	(9)	(108)	(235)
Net Changes	(300)	(10)	(11)	(7)	(63)	(391)
Ending Balances	$ 542	$ 46	$ 56	$ 46	$ 5,204	$ 5,894

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Total OPEB Liability, OPEB Expense and Deferrals (Continued)

The College recognized the following OPEB expense and deferrals for the year ended June 30, 2020 (*dollars in thousands*):

	Increase (Decrease)					
		Long-Term Disability Plan				
	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
OPEB Expense	$ 30	$ 7	$ 3	$ 2	$ 398	$ 440

	Increase (Decrease)					
		Long-Term Disability Plan				
	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Deferred Outflows						
Differences in Expected and Actual Experience	$ -	$ 14	$ -	$ -	$ -	$ 14
Changes in Assumptions	185	-	-	-	362	547
Change in Proportion	4	-	-	-	100	104
Benefit Payments Subsequent to the Measurement Date	49	3	8	6	66	132
Total Deferred Outflows	$ 238	$ 17	$ 8	$ 6	$ 528	$ 797
Deferred Inflows						
Differences in Expected and Actual Experience	$ 2	$ -	$ -	$ -	$ 71	$ 73
Changes in Assumptions	177	7	-	-	193	377
Change in Proportion	43	2	-	-	106	151
Total Deferred Inflows	$ 222	$ 9	$ -	$ -	$ 370	$ 601

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Total OPEB Liability, OPEB Expense and Deferrals (Continued)

The College recognized the following OPEB expense and deferrals for the year ended June 30, 2019 (*dollars in thousands*):

	Increase (Decrease)					
		Long-Term Disability Plan				
	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
OPEB Expense	$ 17	$ 8	$ 1	$ 3	$ 343	$ 372

	Increase (Decrease)					
		Long-Term Disability Plan				
	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
Deferred Outflows						
Differences in Expected and Actual Experience	$ -	$ 18	$ -	$ -	$ -	$ 18
Change in Proportion	5	-	-	-	-	5
Benefit Payments Subsequent to the Measurement Date	49	16	10	7	64	146
Total Deferred Outflows	$ 54	$ 34	$ 10	$ 7	$ 64	$ 169
Deferred Inflows						
Differences in Expected and Actual Experience	$ 3	$ -	$ -	$ -	$ 80	$ 83
Changes in Assumptions	235	9	-	-	218	462
Change in Proportion	-	-	-	-	123	123
Total Deferred Inflows	$ 238	$ 9	$ -	$ -	$ 421	$ 668

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Total OPEB Liability, OPEB Expense and Deferrals (Continued)

Amounts reported as deferred outflows of resources will be recognized as OPEB expense as follows *(dollars in thousands)*:

	Expense					
		Long-Term Disability Plan				
Fiscal Year	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
2021	$ (15)	$ 1	$ -	$ -	$ 5	$ (9)
2022	(15)	1	-	-	5	(9)
2023	(15)	1	-	-	5	(9)
2024	(15)	1	-	-	5	(9)
2025	24	1	-	-	5	30
After	3	-	-	-	67	70
Total	$ (33)	$ 5	$ -	$ -	$ 92	$ 64

The average expected remaining service lives of all active and inactive employees for each OPEB plan:

6.1	7.9	1	1	8.5

Discount Rate Sensitivity

The following presents the total OPEB liability of the College calculated using the discount rate of 3.50 percent, as well as what the College's total OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (2.50%) or 1 percent higher (4.50%) than the current rate (*dollars in thousands*):

		Long-Term Disability Plan				
	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
1% Decrease 2.50%	$ 749	$ 28	$ 48	$ 37	$ 7,342	$ 8,204
Discount Rate 3.50%	$ 710	$ 27	$ 46	$ 35	$ 5,992	$ 6,810
1% Increase 4.50%	$ 673	$ 26	$ 44	$ 34	$ 4,964	$ 5,741

8. RETIREMENT PLANS (CONTINUED)

Postemployment Benefits Other Than Pensions (Continued)

Total OPEB Liability, OPEB Expense and Deferrals (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates
The following presents the total OPEB liability of the College calculated using the current healthcare cost trend rates as well as what the College's total OPEB liability would be if it were calculated using trend rates that are 1 percent lower or 1 percent higher than the current trends (*dollars in thousands*):

		Long-Term Disability Plan				
	Retiree Healthcare Plan	Healthcare	Life Insurance	Income	Retiree Life Insurance Plan	Total
1% Decrease	$ 648	$ 24	N/A	N/A	N/A	$ 672
Current Trend Rate	$ 710	$ 27	N/A	N/A	N/A	$ 737
1% Increase	$ 780	$ 31	N/A	N/A	N/A	$ 811

Sick Leave Insurance Reserve Fund
Idaho Code section 67-5333 establishes the policy for sick leave benefits. The Sick Leave Insurance Reserve Fund (SLIRF) is administered by PERSI. The State does not pay amounts for accumulated sick leave when employees separate from service. Employees who qualify for retirement under PERSI or ORP are eligible to use 50% of the cash value of their unused sick leave, up to a maximum of 600 hours, to continue their medical insurance coverage through the College. The College partially funds these obligations by calculating eligible compensation for active members. The total contributions for the years ended June 30, 2020 and 2019 were $93,306 and $158,116, respectively. The College was not required to pay towards the plan after January 2020 when the PERSI board enacted an 18 month sick leave contribution holiday effective January 1, 2020 due to the sick leave fund being over funded.

Sick Leave Insurance Reserve Fund Assets, Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Sick Leave Insurance Fund

At June 30, 2020 and 2019, the College reported an asset of $2,657,021 and $2,458,008, for its proportionate share of the SLIRF excess funding. The excess funding was measured as of June 30, 2019 and 2018, and determined by an actuarial valuation as of those dates. The College's proportion of the sick leave assets was based on the College's share of contributions in the fund relative to the total contributions of all participating employers. At June 30, 2019, the College's proportion was .021092137 percent. At June 30, 2018, the College's proportion was .021416803 percent.

For the years ended June 30, 2020 and 2019 the College recognized sick leave expense of $114,021 and $101,454, respectively. At June 30, 2020 and 2019 the College reported deferred outflows of resources and deferred inflows of resources related to sick leave from the following sources:

8. RETIREMENT PLANS (CONTINUED)

Sick Leave Insurance Reserve Fund (Continued)

Sick Leave Insurance Reserve Fund Assets, Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Sick Leave Insurance Fund (Continued)

	2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on sick leave fund investments	$ -	$ 74,854
Differences between expected and actual experience	26,020	82,463
Changes in assumptions or other inputs	2,672	-
Changes in proportion and differences between the contributions and the proportionate contributions	30,256	11,931
Subtotal	58,948	169,248
Contributions subsequent to the measurement date	93,306	-
Total	$ 152,254	$ 169,248

	2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on sick leave fund investments	$ -	$ 68,342
Differences between expected and actual experience	-	103,669
Changes in assumptions or other inputs	3,359	-
Changes in proportion and differences between the contributions and the proportionate contributions	-	14,772
Subtotal	3,359	186,783
Contributions subsequent to the measurement date	158,116	-
Total	$ 161,475	$ 186,783

8. RETIREMENT PLANS (CONTINUED)

Sick Leave Insurance Reserve Fund (Continued)

Sick Leave Insurance Reserve Fund Assets, Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Sick Leave Insurance Fund (Continued)

$93,306 reported as deferred outflows of resources related to sick leave resulting from College contributions subsequent to the measurement date will be recognized as an increase of the net sick leave excess funding in the year ending June 30, 2021.

The average of the expected remaining service lives of all employees that are provided with sick leave through the System (active and inactive employees) determined at the beginning of the measurement period is 7.8 years for the measurement period ending June 30, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to sick leave will be recognized in expense (revenue) as follows:

Year ended June 30		
2021	$	(36,484)
2022		(36,484)
2023		(36,484)
2024		(19,657)
2025		3,909
After		14,900
	$	(110,300)

Actuarial Assumptions

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of payroll normal costs are determined using the entry age normal cost method.

The total sick leave asset in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases including inflation	3.75%
Investment rate of return	7.05%, net of investment expenses

The long-term expected rate of return on sick leave fund investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

8. RETIREMENT PLANS (CONTINUED)

Sick Leave Insurance Reserve Fund (Continued)

Actuarial Assumptions (Continued)

Even though history provides a valuable perspective for setting the investment return assumption, the approach builds upon the latest capital market assumptions. The assumptions and formal policy for asset allocation are shown below. The formal asset allocation policy is more conservative than the current allocation of assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

Asset Class	Target Allocation	Expected Nominal Rate of Return	Expected Real Rate of Return
Core Fixed Income	30.00%	3.05%	.80%
Broad US Equities	55.00%	8.30%	6.05%
Developed Foreign Equities	15.00%	8.45%	6.20%
Assumed Inflation - Mean		2.25%	2.25%
Assumed Inflation – Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.75%	4.50%
Portfolio Standard Deviation		12.54%	12.54%
Portfolio Long-Term (Geometric) Expected Rate of Return		6.13%	3.77%
Assumed Investment Expenses		.40%	.40%
Net of Investment Expenses		5.73%	3.37%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.19%
Portfolio Standard Deviation			14.16%

Valuation Assumptions Chosen by PERSI Board

Long-Term Expected Rate of Return, Net of Investment Expenses	4.05%
Assumed Inflation	3.00%
Long-Term Expected Geometric Rate of Return, Net of Investment Expenses	7.05%

8. RETIREMENT PLANS (CONTINUED)

Sick Leave Insurance Reserve Fund (Continued)

Discount Rate

The discount rate used to measure the total sick leave asset was 7.05%. The projection of cash flows used to determine the discount rate assumed that contributions from Fund employers will be made at the current contribution rate. Based on these assumptions, the Fund's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Fund investments was applied to all periods of projected benefit payments to determine the total sick leave asset. The long-term expected rate of return was determined net of the sick leave fund investment expense but without reduction for sick leave fund administrative expense.

Sensitivity of the College's proportionate share of the net sick leave asset to changes in the discount rate

The following presents the College's proportionate share of the sick leave asset calculated using the discount rate of 7.05 percent, as well as what the College's proportionate share of the sick leave asset would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

	1% Decrease 6.05%	Current Discount Rate 7.05%	1% Increase 8.05%
College's proportionate share of the sick leave asset	$ 2,567,927	$ 2,657,021	$ 2,740,339

Changes in sick leave insurance reserve fund liability (asset) for the fiscal years ended June 30, 2020 and 2019 (dollars in thousands):

	2020	**2019**
Sick Leave Liability		
Beginning balances	$ 1,959	$ 1,940
Change in proportionate share	(30)	17
Adjusted beginning balance	1,929	1,957
Changes for the year		
Service cost	91	89
Interest on liability	140	133
Differences between expected and actual experience	30	-
Effect of plan changes	-	(124)
Effect of assumptions	-	4
Benefit payments	(97)	(100)
Net Changes	164	2
Ending Liability Balances	$ 2,093	$ 1,959

8. RETIREMENT PLANS (CONTINUED)

Sick Leave Insurance Reserve Fund (Continued)

Plan Net Position		
Beginning balances	$ 4,417	$ 3,960
Change in proportionate share	(67)	34
Adjusted beginning balance	4,350	3,994
Changes for the year		
Contributions-employer	158	153
Net investment income	340	371
Benefit payments	(97)	(100)
Administrative expense	(1)	(1)
Net changes	400	423
Ending net position	$ 4,750	$ 4,417
Sick leave liability	$ 2,093	$ 1,959
Sick leave fund position	4,750	4,417
Net sick leave asset	$ (2,657)	$ (2,458)

9. OPERATING EXPENSES BY FUNCTIONAL CLASSIFICATION

2020 Natural Classification

Functional Classification	Personnel Costs	Services	Supplies	Insurance, Utilities, and Rent	Scholarships and Fellowships	Depreciation	Miscellaneous	Operating Expense Totals
Instruction	$ 20,500,851	$ 1,002,831	$ 713,308	$ 100,195	$ 5,100	$ -	$ 98,589	$ 22,420,874
Research	286,753	23,864	32,624	124	-	-	4,972	348,337
Public services	587,744	86,894	38,319	2,037	-	-	26,503	741,497
Libraries	693,033	312,335	27,734	210	-	-	-	1,033,312
Student services	4,168,755	404,318	242,996	16,078	516,736	-	25,496	5,374,379
Plant operations	1,766,786	191,455	353,423	1,020,763	-	2,600,773	-	5,933,200
Institutional support	4,242,874	777,190	117,131	180,695	-	-	118,422	5,436,312
Academic support	2,692,008	816,891	355,663	-	-	-	954	3,865,516
Scholarships and fellowships	85,095	600	-	-	2,192,358	-	115,213	2,393,266
Auxiliaries	2,159,745	853,464	1,374,947	203,867	454,572	-	134,084	5,180,679
Total expenses	$ 37,183,644	$ 4,469,842	$ 3,256,145	$ 1,523,969	$ 3,168,766	$ 2,600,773	$ 524,233	$ 52,727,372

2019 Natural Classification

Functional Classification	Personnel Costs	Services	Supplies	Insurance, Utilities, and Rent	Scholarships and Fellowships	Depreciation	Miscellaneous	Operating Expense Totals
Instruction	$ 20,161,686	$ 1,233,360	$ 1,356,825	$ 108,911	$ 46,055	$ -	$ 138,694	$ 23,045,531
Research	301,979	30,234	65,703	1,303	-	-	11,725	410,944
Public services	664,157	183,180	41,266	2,004	-	-	27,133	917,740
Libraries	831,110	319,162	58,788	-	-	-	470	1,209,530
Student services	4,180,675	529,256	304,880	10,208	471,930	-	42,938	5,539,887
Plant operations	1,695,525	139,147	642,287	1,061,395	-	2,760,263	-	6,298,617
Institutional support	4,264,927	825,080	403,380	179,949	-	-	45,724	5,719,060
Academic support	2,654,571	957,396	426,866	-	-	-	91	4,038,924
Scholarships and fellowships	115,201	600	-	-	991,212	-	29,500	1,136,513
Auxiliaries	2,127,252	1,086,534	1,577,968	203,722	464,485	-	272,026	5,731,987
Total expenses	$ 36,997,083	$ 5,303,949	$ 4,877,963	$ 1,567,492	$ 1,973,682	$ 2,760,263	$ 568,301	$ 54,048,733

10. RELATED PARTIES TRANSACTIONS

In fiscal year 2004 the College began constructing a new Student Activity Center (facility). With an estimated cost of approximately $15,000,000, this project was completed in fiscal year 2006. The Idaho State Building Authority (ISBA), with approval from the Idaho State Legislature, issued $10,018,000 of tax exempt bonds to finance the project and has current ownership of the facility.

The College, through the State Board of Education, entered into a lease agreement with the ISBA whereby the land upon which the building is being constructed is leased to the ISBA. It is intended that this lease will continue until all amounts owed by the State to its bondholders have been paid. The Idaho Legislature is obligated, via the annual appropriation process, to provide funds to the State Department of Administration (SDOA) to make the bond payments.

The facility will be in use for many years prior to the transfer of ownership to the College. Therefore, the SDOA, on behalf of the College, has signed an agreement to lease the facility from the ISBA during the period the bond holders are being paid. This agreement obligates the SDOA to pay rent to the ISBA in the amount of the annual bond obligations, plus expenses, as funded by the Idaho Legislature.

The College and the SDOA have entered into an operating agreement whereby the College is obligated to cover all operating costs including maintenance, insurance, and furnishings. At the termination of these agreements, drafted to coincide with the final bond payments, ownership of the facility should pass to the College. As of June 30, 2020 and 2019 the College’s total contribution is presented in the *Statements of Net Position* as Investment in capital assets in the amount of $2,613,348. See Note 5.

11. COMMITMENTS, CONTINGENCIES AND LEGAL MATTERS

The College is committed to incur capital expenditures of $24 million as of June 30, 2020 for the construction of the Career Technical Education (CTE) building, with the Idaho Legislature contributing $12.5 million toward the facility. The College has raised $7.4 million in grants and contributions which are intended to be used to help pay for the College’s portion of the construction costs of the building. The CTE building is expected to be placed in service during the fiscal year ended June 30, 2021. The College is committed to incur capital expenditures of $356,905 as of June 30, 2020, and $85,000 as of June 30, 2019 for the Spalding Hall Upgrade. These commitments are expected to be settled during the year ended June 30, 2021.

The College entered into a shared agreement in 2017 to pay $666,666 toward the construction of the North Idaho Collaboration Education (NICE) building. The College will have use of the facility along with the University of Idaho and North Idaho College for an initial term of ten years. The College paid $232,456 toward the building in 2019 and moved into the building July 2019. The NICE building has not been closed by the Idaho Department of Public Works and the College has not made any additional payments toward its commitment as of June 30, 2020. The final costs are expected to be paid in fiscal year 2021.

11. COMMITMENTS, CONTINGENCIES AND LEGAL MATTERS (CONTINUED)

Revenue from federal service grants includes amounts for the recovery of overhead and other costs allocated to these projects. The College may be required to make refunds of amounts received for overhead and other costs reimbursed as a result of audits by agencies of the Federal Government. College officials believe that the effect of these refunds, if any, will not have a significant effect on the financial position of the College.

The College is currently party to litigation in the ordinary course of business. Management believes the ultimate resolution of these legal proceedings will not have a material adverse effect on the operations or financial position of the College.

On March 11, 2020, the World Health Organization declared the novel coronavirus (COVID-19) outbreak a public health emergency. The College's results of operations could be adversely affected to the extent that the coronavirus or any other epidemic harms the economy. The State Board of Education and the College's management are monitoring the outbreak and potential financial impact, which are currently uncertain. The duration and intensity of the impact of the coronavirus and resulting disruption to the College's operations are uncertain and could adversely affect financial results.

12. RISK MANAGEMENT

The College participates in the State of Idaho Risk Management Program, which manages property and general liability risk. The program provides liability protection up to the Idaho Tort Claims Act maximum of $500,000 for each occurrence. Property damage claims are covered up to $250,000 per occurrence annually. The State of Idaho purchases commercial insurance for claims not self-insured by the above coverage. Insurance premium payments are made to the State risk management program based on rates determined by a State agency's loss trend experience and asset value covered. Presently the College's total insured property value is $189,780,649. The College obtains worker's compensation coverage from the Idaho State Insurance Fund. The College's worker's compensation premiums are based on payroll amount, the College's loss experience, as well as the loss experience of the State of Idaho as a whole. This program also provides coverage for other risks of loss, including but not limited to employee bond and crime, out of state worker's compensation, business interruption, media liability and automobile physical damage insurance. No significant reductions in coverage, or losses in excess of payments, have occurred in the last three years.

13. COMPONENT UNIT DISCLOSURE

As described in Note 1, the Lewis-Clark State College Foundation, Inc. (Foundation) has been determined to be a component unit of the College. The financial statements of the Foundation are presented in accordance with GASB principles. Significant accounting policies associated with the College, also described in Note 1, apply to the Foundation, when applicable. Other disclosures at June 30, 2020 and 2019 are as follows:

13. COMPONENT UNIT DISCLOSURE (CONTUNUED)

Deposits—Cash and cash equivalents are deposited with various financial institutions. The amount on deposit fluctuates and at times could exceed the insured limit by the U.S. Federal Deposit Insurance Corporation, which would potentially subject the Foundation to credit risk.

Investments—The Foundation investment policy permits investments in the following investment categories: (a) cash and cash equivalents, including money market funds; (b) fixed income assets to include bonds and bank certificates of deposit; and (c) stocks of large and small U.S. or foreign companies. The Foundation prohibits investments in the following: (a) derivatives, (b) natural resources, (c) precious metals, and (d) venture capital.

Fair Value Measurement

The Foundation investments are recorded at fair market value. The Foundation categorizes the fair value measurements within the fair value hierarchy established by GASB Statement 72. The Foundation's investments represent exchange traded funds and mutual funds and are valued using Level 1 inputs, which are quoted prices in active markets.

Credit Risk

Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. The credit risk ratings listed below for investments in debt securities are issued by standards set by Standard and Poor's.

As of June 30, 2020 and 2019, the Foundation had the following credit risk related to its debt security exchange traded and mutual funds:

Credit rating	2020	2019
AAA	$ 1,517,575	$ 1,409,144
AA	205,361	189,318
A	472,799	435,918
BBB	581,541	582,274
BB	74,383	91,079
B	182,760	127,453
Below B	4,874	11,456
Not rated	6,701	17,471
Total	$ 3,045,994	$ 2,864,113

13. COMPONENT UNIT DISCLOSURE (CONTINUED)

Investments (Continued)

Foreign Currency Risk

The Foundation investment policy permits the acquisition of investments denominated in foreign currencies. There is a risk that changes in exchange rates could adversely affect the fair value of these investments. To reduce this risk the investment policy limits the investment in international equities to no more than 17.5% of the total investment portfolio. As of June 30, 2020 and 2019, the Foundation's exposure to foreign currency risk is as follows based on equity and debt security funds:

Currency	Country	2020	2019
AUD	Australia	$ 79,818	$ 82,942
BRL	Brazil	39,556	23,909
CAD	Canada	142,616	152,341
CHF	Switzerland	108,267	102,203
CLP	Chile	5,676	3,910
CNY	China	284,572	102,940
COP	Columbia	4,834	4,258
CZK	Czech Republic	1,775	1,209
DKK	Denmark	23,233	18,473
EUR	Europe	474,996	455,904
GBP	United Kingdom	213,008	231,389
HKD	Hong Kong	26,324	31,903
HUF	Hungary	3,214	2,747
IDR	Indonesia	14,141	8,733
ILS	Israel	9,507	7,254
INR	India	60,652	31,015
JPY	Japan	309,905	309,769
KRW	South Korea	61,432	53,513
MXN	Mexico	20,670	19,124
MYR	Malaysia	16,819	9,715
NOK	Norway	10,899	11,531
NZD	New Zealand	4,684	4,770
PEN	Peru	2,549	944
PHP	Philippines	7,918	5,494
PLN	Poland	5,927	7,003
RUB	Russia	21,777	14,747
SEK	Sweden	40,263	36,586
SGD	Singapore	17,027	19,185
THB	Thailand	19,549	12,292
TRY	Turkey	3,823	2,039
TWD	Taiwan	100,342	34,477
ZAR	South Africa	25,247	17,816
Various	Various	94,317	72,634
Total Foreign Investments		$ 2,255,337	$ 1,892,769

13. COMPONENT UNIT DISCLOSURE (CONTINUED)

Investments (Continued)

Interest Rate Risk
Investments that are fixed for longer periods are likely to experience greater variability in fair value due to future changes in interest rates. The Foundation does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. As of June 30, 2020 and 2019, the Foundation's debt security exchange traded and mutual funds had the following maturities:

Investment Maturities in Years	2020	2019
0-3	$ 901,919	$ 897,327
3-5	871,459	852,360
5-10	603,716	481,171
10-20	167,530	135,472
20-30	468,778	462,268
>30	32,592	35,515
Total	$ 3,045,994	$ 2,864,113

Income Taxes—The Foundation is exempt from income taxes on its activities as a Foundation under Section 501(c) (3) of the Internal Revenue Code and similar state statutes. Activities unrelated to those of a Foundation are subject to corporate tax rates.

Related Party Transactions—Foundation cash is primarily deposited and withdrawn from a College bank account. The balance in this account attributable to the Foundation is reported as a receivable from the College in the amount of $65,061 and $231,565 as of June 30, 2020 and 2019, respectively.

Certain gifts and gift annuity liabilities involve contributions made to the Foundation by Foundation board members. For the years ended June 30, 2020 and 2019, gifts from these related parties approximated $67,492 and $119,516 or 3% and 9% of total contributions, respectively. Liabilities to related parties, reflected in the *Statements of Net Position* as gift annuities payable, totaled $450,605 and $473,363 or 84% and 85% of total gift annuities payable as of June 30, 2020 and 2019, respectively.

Distributions to the College—During the years ended June 30, 2020 and 2019, the Foundation distributed $4,412,853 and $904,419, respectively to the College for both restricted and unrestricted purposes.

13. COMPONENT UNIT DISCLOSURE (CONTINUED)

Donor-Restricted Endowments**—**The Foundation receives certain gift assets that are to be held in perpetuity for the benefit of the College. During the fiscal years 2020 and 2019 the Foundation received new contributions of $2,361,794 and $1,337,379, respectively, of which the amount permanently restricted by donors was $201,555 and $265,319 respectively. The endowments of the Foundation experienced net unrealized market appreciation of $261,834 and $419,203 during fiscal years 2020 and 2019. Accumulated earnings are reported in restricted net position, expendable. The Foundation established a spending rate of 4% of the five-year rolling average of the market value of each endowment account as of December 31st for each fiscal year. This amount may be reduced if an account has insufficient accumulated earnings to cover the payout.

Gift Annuities Payable—The College is the beneficiary of seven gift annuities. The College records the annuity in the period in which the gift is received in accordance with GASB 81. The assets are recorded at fair value when received. An obligation to the annuitant is recorded at the present value of the estimated future payments to be distributed. The difference between the fair value of the asset and the payable obligation is recorded as a deferred inflow of resources. Income earned on assets, recognized gains and losses are reflected as changes to the deferred inflow of resources. Adjustments to the annuity obligation to reflect the revaluation of the present value of the estimated future payments to the annuitant, based upon changes in the actuarial assumptions, are also shown as changes to the deferred inflow of resources. Changes in the distributions paid to annuitants reduce the gift annuity payable. The deferred inflow of resources represent the beneficial interests to the College. The contribution revenue will be recognized at the end of the agreement. The deferred inflow of resources and gift annuity payables are reflected in the *Statements of Net Position.*

Discount rates to determine the present value of the obligations to the annuitants range from 5.7% to 8.0% for the years ended June 30, 2020 and 2019. Annuity obligations represent the present value of the aggregate liability to annuitants based upon their estimated life expectancies, via tables provided by the Internal Revenue Service.

Required Supplementary Information

Schedule of College's Proportionate Share of Net Pension Liability
PERSI – Base Plan

	2020	2019	2018	2017	2016	2015
College's portion of net pension liability	.001726114	.001784488	.001876297	0.001918969	0.00188876	.0019994939
College's proportionate share of net pension liability	$ 1,970,311	$ 2,632,151	$ 2,949,217	$ 3,890,045	$ 2,487,190	$ 1,468,857
College's covered payroll	$ 5,862,583	$ 5,741,359	$ 5,827,647	$ 5,339,791	$ 5,287,228	$ 5,415,597
College's proportional share of net pension liability as a percentage of its covered payroll	33.61%	45.85%	50.61%	72.85%	47.04%	27.12%
Plan fiduciary net position as a percentage of the total pension liability	93.79%	91.69%	90.68%	87.26%	91.38%	94.95%

GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the College will present information for those years for which information is available.

Required Supplementary Information

Schedule of Employer Contributions
PERSI – Base Plan

	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 660,411	$ 692,917	$ 632,687	$ 573,196	$ 617,817	$ 648,438
Contributions in relation to the statutorily required contribution	685,443	663,644	649,920	659,690	604,464	598,514
Contribution (deficiency) excess	25,032	(29,273)	17,233	86,494	(13,353)	(49,924)
College's covered payroll	6,055,151	5,862,583	5,741,359	5,827,647	5,339,791	5,287,228
Contributions as a percentage of covered payroll	11.32%	11.32%	11.32%	11.32%	11.32%	11.32%

Required Supplementary Information

Schedule of Changes in the College's Total OPEB Liability and Related Ratios *(dollars in thousands):*

Total OPEB Liability as of June 30, 2020

		Long-Term Disability Plan				
	Retiree Health care Plan	**Health care**	**Life Insurance**	**Income**	**Retiree Life Insurance Plan**	**Total**
Service cost	$ 18	$ 5	$ -	$ -	$ 180	$ 203
Interest on total OPEB liability	19	1	2	1	211	234
Effect of Assumptions Changes or Inputs	222	-	1	1	408	632
Expected benefit payments	(55)	(22)	(10)	(8)	(118)	(213)
Net change in OPEB liability	204	(16)	(7)	(6)	681	856
Total OPEB liability - beginning	542	46	56	46	5,204	5,894
Change in proportionate share	(36)	(3)	(3)	(6)	107	59
Adjusted beginning balance	506	43	53	40	5,311	5,953
Total OPEB liability - ending	$ 710	$ 27	$ 46	$ 34	$ 5,992	$ 6,809

Total OPEB Liability as of June 30, 2019

		Long-Term Disability Plan				
	Retiree Health care Plan	**Health care**	**Life Insurance**	**Income**	**Retiree Life Insurance Plan**	**Total**
Service cost	$ 34	$ 5	$ -	$ -	$ 189	$ 228
Interest on total OPEB liability	30	2	2	2	194	230
Economic/Demographic gains or losses	(4)	20	-	1	(90)	(73)
Assumptions changes	(281)	(10)	(1)	(1)	(248)	(541)
Expected benefit payments	(79)	(27)	(12)	(9)	(108)	(235)
Net change in OPEB liability	(300)	(10)	(11)	(7)	(63)	(391)
Total OPEB liability - beginning	836	55	67	49	5,406	6,413
Change in proportionate share	6	1	-	4	(139)	(128)
Adjusted beginning balance	842	56	67	53	5,267	6,285
Total OPEB liability - ending	$ 542	$ 46	$ 56	$ 46	$ 5,204	$ 5,894

Required Supplementary Information

Schedule of Changes in the College's Total OPEB Liability and Related Ratios *(dollars in thousands): (Continued)*

Total OPEB Liability as of June 30, 2018

	Retiree Health care Plan	Long-Term Disability Plan Health care	Long-Term Disability Plan Life Insurance	Long-Term Disability Plan Income	Retiree Life Insurance Plan	Total
Service cost	$ 33	$ 4	$ -	$ -	$ 188	$ 225
Interest on total OPEB liability	30	3	3	2	189	227
Expected benefit payments	(74)	(39)	(15)	(9)	(101)	(238)
Net change in OPEB liability	(11)	(32)	(12)	(7)	276	214
Total OPEB liability - beginning	847	87	79	56	5,130	6,199
Total OPEB liability - ending	$ 836	$ 55	$ 67	$ 49	$ 5,406	$ 6,413

Changes of benefit terms: There were no changes in benefit terms.

Changes of assumptions: changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

June 30, 2020	3.50%
June 30, 2019	3.87%
June 30, 2018	3.58%

GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the College will present information for those years for which information is available.

Required Supplementary Information

Schedule of College's Proportionate Share of Idaho Sick Leave Insurance Reserve Fund Asset

	2020	2019	2018
College's portion of sick leave asset	.021092137	.021416803	.021231653
College's proportionate share of sick leave asset	$ 2,657,021	$ 2,458,008	$ 2,019,759
College's covered payroll	$23,595,515	$23,311,352	$20,734,832
College's proportional share of sick leave asset as a percentage of its covered payroll	.65%	.65%	.65%
Plan fiduciary net position as a percentage of the total sick leave asset	226.97%	225.45%	204.10%

Schedule of Employer Contributions
Idaho Sick Leave Insurance Reserve Fund

	2020	2019	2018
Actuarially required contribution	$ 92,452	$ 89,663	$ 90,914
Contributions in relation to the statutorily required contribution	158,142	153,371	151,524
Contribution (deficiency) excess	65,690	63,708	60,610
College's covered payroll	$24,329,520	$23,595,515	$23,311,352
Contributions as a percentage of covered payroll	.65%	.65%	.65%

GASB Statement No. 75 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the College will present information for those years for which information is available.